

1972-1978

International Income and Taxes

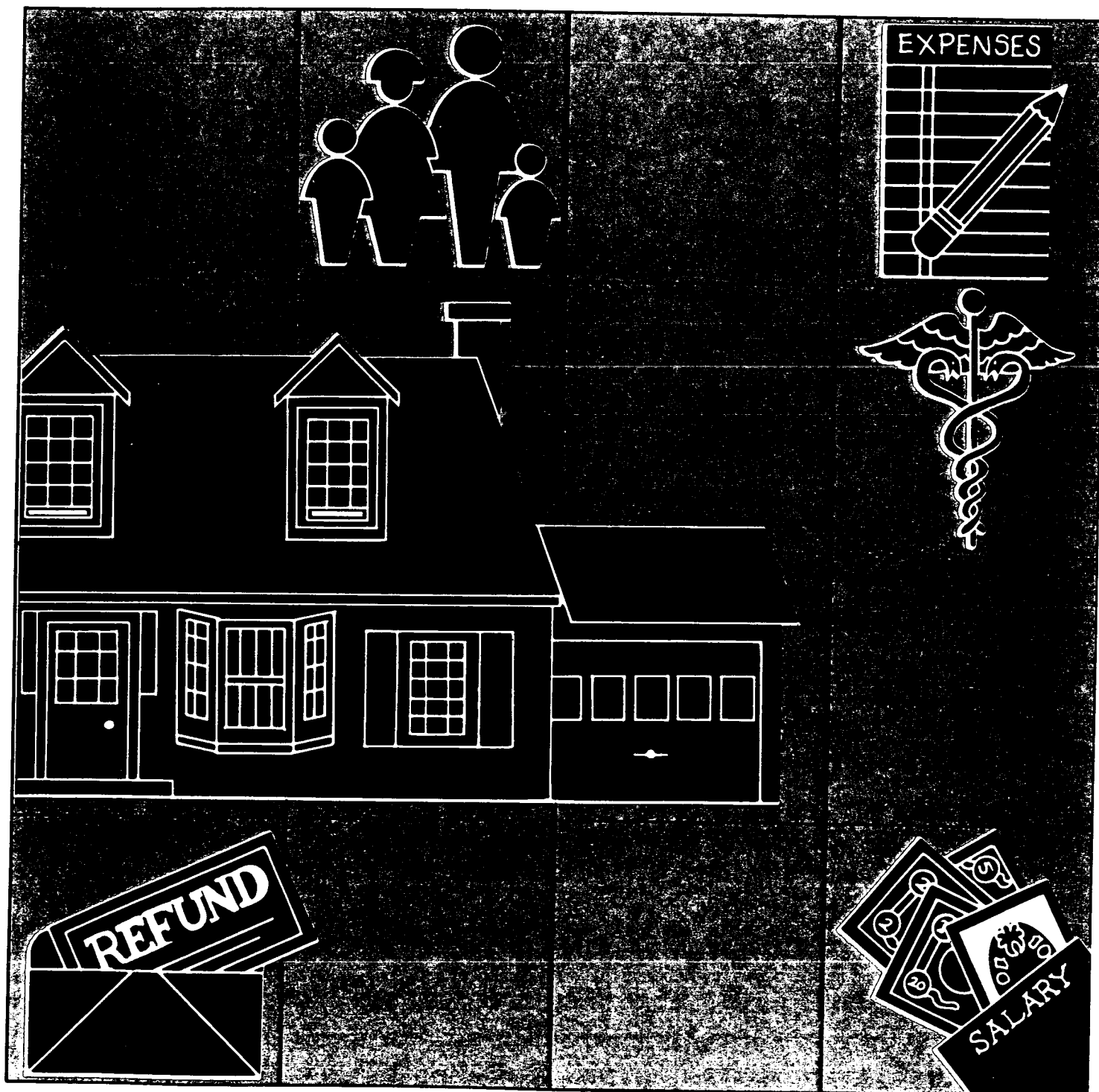
**Statistics
of Income**

**Supplemental
Report**

Foreign Income and Taxes

Reported on

Individual Income Tax Returns



Statistics of Income

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Tape Files Available

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State Tax Model File, 1977-1978
Corporation Source Book, 1965-1976
Estate Tax File, 1976
Private Foundation File, 1974
Employee Plans File, 1977
Exempt Organizations File, 1975

Ordering Information

Statistics of Income publications are
for sale by the Superintendent of
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Office, Washington, D.C. 20402.
Public-use magnetic tape files are
available on a reimbursable basis
from the National Archives Records
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1975

Statistics of Income

Supplemental
Report

International Income and Taxes

Foreign Income and Taxes

Reported on

Individual Income Tax Returns

Publication 1108 (4-81)

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This report was prepared in the Statistics Division by David P. Paris of the Foreign Statistics Section, Statistics of Income Branch I, under the direction of Daniel F. Skelly. Norman Adler, Staff Assistant to the Chief, Statistics of Income Branch I, gave valuable advice in the planning of the tabulations and in the writing of the text. Major contributors to the publications were Keith Gilmour and Alan Zempel, each of whom gave valuable advice throughout the various phases of this project. Other contributors included Raymond Shadid and James Harte who designed the statistical samples, Roy Peterson who was responsible for coordinating the data processing with the Data Center in Detroit, Victor Rehula and Jeffrey Hartzok who wrote Service Center processing instructions, Sterling Brown who reviewed typeset tables, Dale Gallahan and Robert R. Cripe who typed the text and Ruth Wise who did the copy preparation. Deborah Butler, formerly of the Statistics Division, assisted in numerous phases of the project. Statistical abstracting of the data was done by each of the ten Internal Revenue Service Centers. Majorie Mason, George Rivas and Craig Thrasher of the Data Center designed and conducted the computer processing.

This report presents domestic and foreign income and tax data for U.S. individual taxpayers on the exemption from tax of income earned abroad and on the foreign tax credit. Data on adjusted gross income, U.S. income tax, foreign tax credit, types of foreign earned income and on the tax exempt amount, classified by size of adjusted gross income are presented for individuals with an exemption of income earned abroad. Other significant classifiers include selected country in which the income was earned and type of residence status abroad. Data on income and deductions, U.S. income tax, types of foreign source income and taxes, classified by size of adjusted gross income, are shown for individuals who claimed a foreign tax credit. Other significant classifiers include the limitation method used to compute the credit, geographic area or country to which foreign taxes were paid or accrued and percent of taxable foreign income to total taxable income. In addition, foreign tax credit data are presented for those taxpayers with an exemption from tax of income earned abroad classified by selected country to which foreign taxes were paid or accrued.

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Statistics of Income—1972-1978,
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COMMISSIONER OF INTERNAL REVENUE

Washington, DC 20224

April 30, 1981

The Honorable Donald T. Regan
Secretary of the Treasury
Washington, DC 20220

Dear Mr. Secretary:

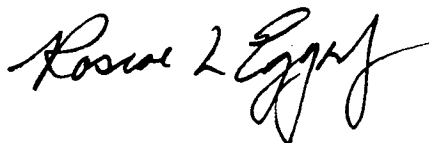
I am transmitting the Supplemental Report, Statistics of Income—1972-1978, International Income and Taxes, Foreign Income and Taxes Reported on Individual Income Tax Returns. The statistics for each of the years are based on statistical samples of individual income tax returns. For the most part, the data presented are for Tax Year 1975; however, summary statistics are presented for each of the other six years.

This report presents the first comprehensive statistics on the foreign income and taxes of U.S. individuals. For individuals claiming an exemption from tax of income earned abroad in 1975, detailed information is presented on the types of foreign earned income and on the tax-exempt amount. Major classifiers are size of adjusted gross income, selected country in which the income was earned and the taxpayer's residence status abroad as defined by law.

For those taxpayers with a foreign tax credit in 1975, detailed information on the types of domestic and foreign sources of income and taxes are classified by size of adjusted gross income, limitation method used in computing the credit and country to which foreign taxes were paid or accrued. In addition, foreign tax credit data classified by selected country to which foreign taxes were paid are shown for those taxpayers who also claimed the exemption from tax of income earned abroad.

With kind regards,

Sincerely,



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Section 1

Introduction and Summary

The report, which is part of the series on international income and taxes, is a supplement to the annual report Statistics of Income--Individual Income Tax Returns, and presents data on two related subjects: (1) the exemption of income earned abroad under the provisions of section 911 of the Internal Revenue Code and (2) the foreign tax credit claimed against U.S. income tax under section 901 of the Internal Revenue Code. The data for 1975 represent statistical estimates derived from two stratified samples of unaudited individual income tax returns for Income Year 1975. For nearly all taxpayers, the 1975 Income Year corresponded with the calendar year. A small number, however, reported for noncalendar years which ended during 1975 and 1976. Summary data for Income Years 1972-1974 and 1976-1978 are derived from the annual report Statistics of Income--Individual Income Tax Returns samples for those years.

Included in this section of the report is a detailed discussion of U.S. tax law as it related to the foreign income and taxes of U.S. individuals in 1975. A short explanation of the origins of the exemption of foreign earned income and the foreign tax credit is provided. Also included in this section is a summary of the data contained in the tables which are found in Section 3 as well as summary statistics for Income Years 1972-1974 and 1976-1978.

Section 2 contains a detailed description of the statistical samples on which the data for 1975 were based. Also included is a discussion of the limitations of the data contained in this report.

Section 3 presents detailed tables on both subjects. Tables 1-7 contain detailed information on the exemption from tax of income earned abroad as reported on Form 1040, U.S. Individual Income Tax Returns and associated Form 2555, Exemption of Income Earned Abroad. Tables 8-15 present data on the foreign tax credit as reported on Form 1040 and associated Form 1116, Computation of Foreign Tax Credit.

Section 4 contains an explanation of terms unique to this report. The explanations include definitions and limitations of the data, as well as a description of any adjustments made in processing the statistics.

Section 5 contains facsimiles of Forms 1040, 2555 and 1116 filed by taxpayers for Income Year 1975. Also included are the instructions used for completing each form.

EXEMPTION OF INCOME EARNED ABROAD BY INDIVIDUALS

Status of the Law, 1975

U.S. citizens living abroad in 1975 were required to file U.S. income tax returns even if all of their income was "earned income from personal services" performed in a foreign country and was exempt from U.S. tax. The law granting the tax exemption for foreign earned income had many requirements and restrictions. Only earned income was given tax exemption; income defined as not earned was not tax

exempt. Income classified as earned must have been for personal services rendered. Common types of earned income were salaries and wages, commissions, bonuses and professional fees. Foreign income that was not tax-exempt typically included such items as dividends, interest and capital gains. Certain other types of income, such as pensions, annuities, rents, royalties and business profits could have fallen into either category.

A limited amount of foreign earned income was exempt from U.S. tax if: (1) the taxpayer was a bona fide resident of a foreign country or countries for an uninterrupted period that included an entire tax year, or (2) the taxpayer was physically present in a foreign country for at least 510 full days (17 months) during any period of 18 consecutive months. The essential difference between the tests was that the residence test required taxpayers to establish a bona fide residence in a foreign country, whereas the physical presence test required that taxpayers be on foreign soil for a certain length of time. The determination of whether the taxpayer was a bona fide resident of a foreign country was made by applying the principles of Code section 871 and associated regulations that related to what constituted residence or nonresidence of an alien in the United States.

U.S. individuals living abroad had to establish that they were bona fide foreign residents. Bona fide foreign residence was dependent on the facts about the taxpayer's intention with regard to the length and nature of stay abroad. The basic criterion for establishment of a bona fide foreign residence was the distinction made between transients and those who truly made their home abroad. There had to be permanence and stability in the employment abroad in order to satisfy the requirements.

Specific evidence of a bona fide residence was sale of a home in the United States and purchase of a home abroad, long-term lease of a home or apartment abroad and termination of financial and social activities in the United States and the engaging in similar activities in the foreign country. For instance, employees who were transferred abroad by their employers satisfied the requirements of bona fide residence if they gave up their home in the United States and purchased a home in the foreign country; moved their family and personal belongings abroad; and, in the course of living abroad, joined business, civic, fraternal or religious associations in the foreign country.

However, a taxpayer did not fail to meet the requirements of bona fide foreign residence if there was an intention, indefinite as to time, to return to the United States. Thus, it was possible for a taxpayer's domicile to be in the United States while having a bona fide residence abroad, with the ultimate intention of returning to the United States.

When a taxpayer qualified under the bona fide foreign residence test, up to \$20,000 of foreign earned income was tax-exempt for a full year. After a taxpayer was a bona fide resident of a foreign country

or countries for an uninterrupted period of 3 consecutive years, the tax-exempt amount was increased to \$25,000. Those taxpayers who qualified under the physical presence test were allowed a maximum exemption of \$20,000 of foreign earned income no matter how long they remained in the foreign country or countries.

The \$20,000 and \$25,000 foreign earned income exemptions were for full tax years. Those taxpayers who qualified under either test, but were present abroad for less than a full tax year, were required to prorate their exemption according to the number of days abroad. However, taxpayers could never exempt more income than they earned abroad.

Generally, only U.S. citizens were entitled to exemption of foreign earned income from U.S. taxation. However, under nondiscrimination clauses in income tax conventions with certain foreign countries, citizens of such foreign countries residing in the United States were entitled to exclude foreign earned income under the physical presence test. A nonresident alien was not entitled to the exclusion.

Many U.S. citizens living in foreign countries during Tax Year 1975 were not exempt from U.S. income tax under the bona fide foreign residence or physical presence rules. Generally, the following types of taxpayers did not qualify: (1) civilian U.S. Government employees, (2) members of the U.S. Armed Forces, and (3) residents of Puerto Rico, Guam, the U.S. Virgin Islands, Johnston Island, American Samoa, Panama Canal Zone, Midway and Wake.

Origins of the Exemption of Foreign Earned Income From U.S. Taxation

The exemption of income earned abroad from U.S. income tax dates from the mid-1920's. At that time legislation was proposed to: (1) aid export sales and (2) eliminate some of the foreign tax credit inequities caused by foreign countries with lower effective tax rates than those imposed by the United States. (See "Foreign Tax Credit on Individual Returns" for further explanation of the foreign tax credit as it relates to effective foreign tax rates). The Congress proposed that certain citizens who worked abroad be allowed to exclude from U.S. gross income all of their income earned from outside the United States. This proposal, as enacted, required establishment of a bona fide residence in a foreign country before allowing the exclusion of foreign earned income.

In the early 1950's an alternative exclusion was enacted. This alternative was linked to mere physical presence in a foreign country for 510 full days out of any consecutive 18-month period. In 1953, the Department of Treasury called attention to certain abuses which had developed under the then recently enacted physical presence rule. Both the Treasury and the Congress noted that some individuals with large earnings had seized upon the provisions as an inducement to go abroad to perform services customarily performed at home in order to avoid U.S. taxation. As a result, the amount of tax-exempt foreign earned income allowed under the physical presence rule was limited to \$20,000 per taxable year.

The unlimited exemption under the bona fide residence remained in effect until 1962 when these provisions were changed to limit the exemption to \$20,000 per year for such income received after 1962. The \$20,000 limitation was allowed to increase to \$35,000 per year for bona fide foreign residence status after an uninterrupted period of three consecutive years. The \$35,000 limit was reduced to \$25,000 for taxable years beginning after December 31, 1964.

Summary of the Data on Foreign Earned Income, 1972-1978

Table 1A presents selected summary statistics for 1975 compared to similar data for 1972, 1974 and 1976-

1978. The data show a considerable increase in the number of returns of U.S. citizens working abroad and an even larger increase in their foreign earnings. The number of returns filed with an attached Form 2555 increased from approximately 100,000 for 1972 to 170,000 for 1978, while the total income earned abroad by these taxpayers increased from \$1.9 billion to \$5.8 billion. Caution should be used in comparing the data for these years because of the differences in the size of the statistical samples on which they were based. The data for 1972, 1974 and 1976-1978 were derived from the relatively small number of returns filed with a Form 2555 in the Form 1040 Statistics of Income—Individual Income Tax Returns sample, whereas the data for 1975 were based on an independent and larger sample drawn from the total population of all individual income tax returns filed with a Form 2555 attached. (See Section 2 "Description of the Sample and Limitations of the Data" for further explanation of the sample returns on which the data on foreign earned income were based.) In addition, data for 1977 and 1978 are not directly comparable with data for earlier years because of changes in the law. An explanation of these changes is summarized for each year in the applicable Statistics of Income—Individual Income Tax Returns report.

Wages and salaries were a significant portion of all foreign earned income in 1975. In total, they accounted for over 80 percent of foreign earned income. In every adjusted gross income class shown in Table 1, salaries and wages accounted for a significant proportion of the foreign earned income.

Chart 1A reveals that almost 80 percent of total foreign earned income in 1975 was attributable to those taxpayers who were bona fide foreign residents in contrast to 20 percent which was earned by taxpayers exempting income under the physical presence rules. Over one-half of the foreign income was earned by individuals who resided in any one of only nine countries. Chart 1B shows that the two most significant countries in 1975 were Canada and the United Kingdom. U.S. taxpayers in each of these two countries accounted for 10 percent of the total foreign earned income reported on Forms 2555.

FOREIGN TAX CREDIT ON INDIVIDUAL INCOME TAX RETURNS

Status of the Law, 1975

U.S. taxpayers (defined to include both U.S. citizens and aliens resident in the United States) who paid or accrued foreign taxes on their foreign source income were eligible to use those taxes either as an itemized deduction under the provision of Code section 164 or as a tax credit, provided that the foreign source income was subject to U.S. taxation. The foreign tax credit was allowed against income tax reduced by the personal exemption credit, but before subtracting any other credits. However, the credit could not be applied against any of the "other taxes" reported on Form 1040, such as the additional tax for tax preferences (the so-called "minimum tax") which were part of total tax liability.

The choice of taking the deduction or claiming the credit was up to the taxpayer. In the majority of cases it was advantageous to claim the foreign taxes as a credit since, after computing the credit limitation, the allowable foreign tax credit resulted in a dollar-for-dollar reduction of U.S. tax liability. The foreign tax credit had the effect of lowering the combined total of U.S. and foreign taxes, thereby lessening the effects of double taxation.

Introduction and Summary

3

Table 1A.--Number of Returns, Income Earned Abroad, and Tax-Exempt Amount by Size of Adjusted Gross Income: 1972, 1974, and 1975-1978

[All figures are estimates based on samples--money amounts are in thousands of dollars]

| Size of adjusted gross income | 1972 | | | 1974 | | |
|--------------------------------|-------------------|----------------------|-------------------|-------------------|----------------------|-------------------|
| | Number of returns | Income earned abroad | | Number of returns | Income earned abroad | |
| | | Total | Tax-exempt amount | | Total | Tax-exempt amount |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Total..... | 101,832 | 1,867,936 | 1,381,696 | 125,808 | 2,678,488 | 1,818,357 |
| No adjusted gross income..... | 25,799 | 215,379 | 214,857 | 26,269 | 269,355 | 268,458 |
| \$1 under \$5,000..... | 42,044 | 601,471 | 567,447 | 52,952 | 732,115 | 703,599 |
| \$5,000 under \$10,000..... | 12,471 | 283,354 | 221,968 | *7,593 | *160,627 | *135,905 |
| \$10,000 under \$20,000..... | *8,892 | *220,823 | *152,905 | 18,099 | 467,129 | 276,724 |
| \$20,000 under \$30,000..... | 6,970 | 222,909 | 106,818 | 7,865 | 312,015 | 176,436 |
| \$30,000 under \$50,000..... | 3,363 | 172,712 | 69,300 | 8,356 | 371,603 | 159,271 |
| \$50,000 under \$100,000..... | 1,777 | 106,926 | 38,256 | 3,992 | 283,816 | 80,568 |
| \$100,000 under \$200,000..... | 427 | 33,184 | 8,079 | 540 | 53,271 | 14,258 |
| \$200,000 under \$500,000..... | 83 | 10,664 | 1,926 | 121 | 21,336 | 2,712 |
| \$500,000 or more..... | 6 | 514 | 140 | 21 | 7,221 | 426 |

| Size of adjusted gross income | 1975 | | | 1976 | | |
|--------------------------------|-------------------|----------------------|-------------------|-------------------|----------------------|-------------------|
| | Number of returns | Income earned abroad | | Number of returns | Income earned abroad | |
| | | Total | Tax-exempt amount | | Total | Tax-exempt amount |
| | (7) | (8) | (9) | (10) | (11) | (12) |
| Total..... | 140,195 | 3,027,045 | 1,995,202 | 140,438 | 3,471,858 | 2,131,420 |
| No adjusted gross income..... | 34,761 | 389,870 | 387,182 | 21,932 | 260,209 | 259,482 |
| \$1 under \$5,000..... | 41,155 | 551,971 | 530,351 | 43,278 | 611,908 | 606,667 |
| \$5,000 under \$10,000..... | 15,789 | 277,484 | 225,947 | 17,466 | 315,243 | 276,643 |
| \$10,000 under \$20,000..... | 21,443 | 547,350 | 353,655 | 21,810 | 554,682 | 353,616 |
| \$20,000 under \$30,000..... | 11,218 | 387,976 | 198,938 | 17,795 | 598,260 | 289,658 |
| \$30,000 under \$50,000..... | 10,468 | 484,132 | 195,035 | 9,957 | 500,347 | 190,586 |
| \$50,000 under \$100,000..... | 4,891 | 325,936 | 93,733 | 6,686 | 430,149 | 122,604 |
| \$100,000 under \$200,000..... | 386 | 43,145 | 8,371 | 1,303 | 151,574 | 26,667 |
| \$200,000 under \$500,000..... | 77 | 15,897 | 1,814 | 180 | 33,868 | 4,792 |
| \$500,000 or more..... | 7 | 3,282 | 175 | 31 | 15,618 | 706 |

| Size of adjusted gross income | 1977 | | | 1978 | | | | Deduction for excess foreign living expenses |
|--------------------------------|-------------------|----------------------|-------------------|-------------------|----------------------|-------------------|-----------------|--|
| | Number of returns | Income earned abroad | | Number of returns | Income earned abroad | | Amount excluded | |
| | | Total | Tax-exempt amount | | Total | Tax-exempt amount | | |
| | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) |
| Total..... | 123,045 | 3,068,234 | 1,486,426 | 169,951 | 5,772,795 | 1,955,180 | 98,100 | 269,000 |
| No adjusted gross income..... | 63,160 | 789,463 | 628,730 | 76,042 | 1,241,004 | 967,314 | 43,795 | - |
| \$1 under \$5,000..... | | | | | | | | |
| \$5,000 under \$10,000..... | | | | | | | | |
| \$10,000 under \$20,000..... | | | | | | | | |
| \$20,000 under \$30,000..... | 18,768 | 427,052 | 261,978 | 26,392 | 761,145 | 395,982 | - | 24,994 |
| \$30,000 under \$50,000..... | 16,714 | 490,095 | 240,812 | 21,435 | 714,762 | 235,316 | 16,223 | 6,673 |
| \$50,000 under \$100,000..... | 15,659 | 650,200 | 204,227 | 22,093 | 1,040,476 | 185,024 | 20,020 | 79,208 |
| \$100,000 under \$200,000..... | 7,154 | 504,896 | 121,206 | 19,220 | 1,403,379 | 144,075 | 18,585 | 114,756 |
| \$200,000 under \$500,000..... | 1,357 | 154,695 | 24,777 | 4,257 | 498,278 | 23,550 | 400 | 40,210 |
| \$500,000 or more..... | 210 | 43,573 | 4,291 | 464 | 96,414 | 3,420 | 78 | 2,984 |
| | 23 | 8,259 | 405 | 48 | 17,338 | 500 | - | 174 |

*Estimate should be used with caution because of the small number of sample returns on which it was based.

NOTE: The information for each of the years 1972, 1974, and 1976-1978 appears in the *Statistics of Income--Individual Income Tax Returns* reports for that year. The information for 1975 appears in table 1 of Section 3.Data for 1977 and 1978 are not comparable with data for earlier years because of changes in the law summarized for each year in the applicable *Statistics of Income--Individual Income Tax Returns* report.

Detail may not add to totals because of rounding.

Chart 1A

Income earned abroad for personal services, by type of residence status abroad, 1975

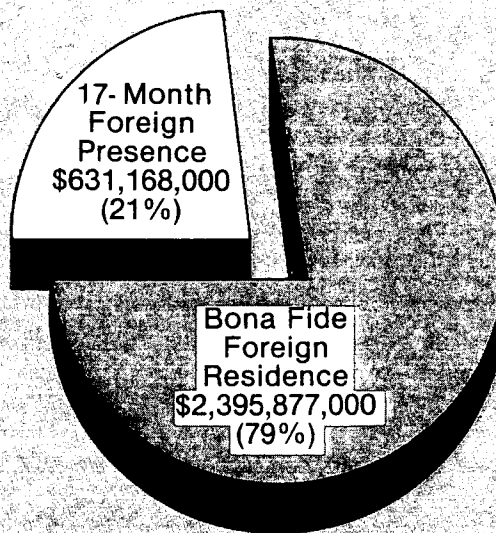
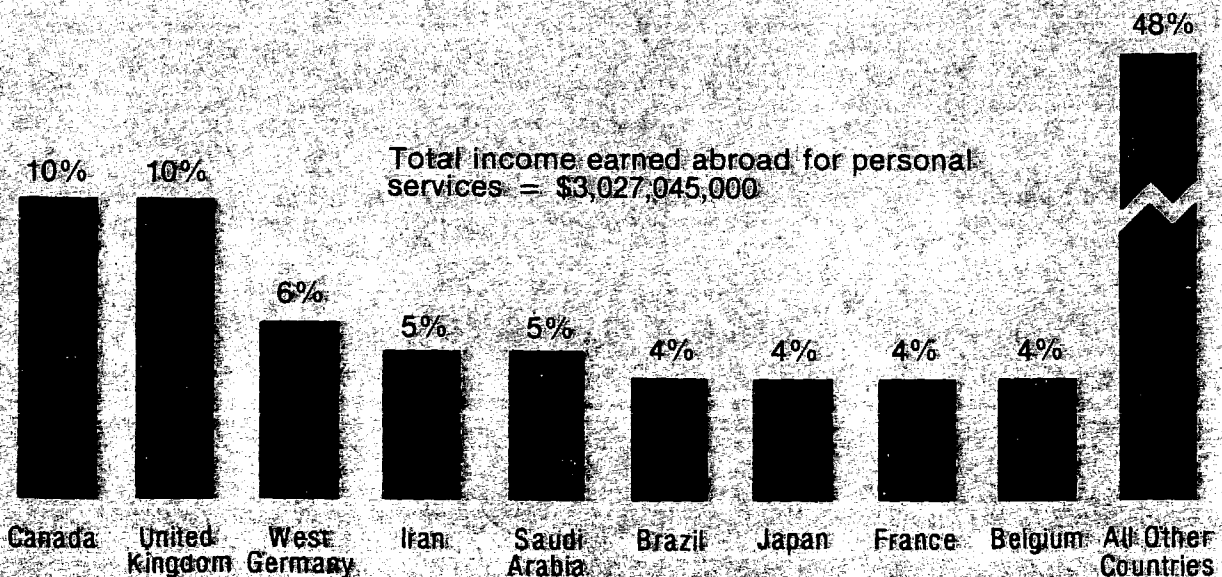


Chart 1B

Percent distribution of income earned abroad for personal services, by selected country, 1975



The foreign tax credit reported in this study could be claimed for income, war profits and excess profits taxes paid or accrued for Tax Year 1975 and for the carryover of allowable prior years' foreign taxes which were in excess of the statutory credit limitation for the years involved. Thus, foreign tax credit claimed for 1975 was not necessarily the full amount of tax payable to the foreign countries for that year. Taxpayers claiming the benefit of the foreign tax credit were limited on the amount they could claim for a given year. The limiting was accomplished by requiring taxpayers to compute, using one of two limitation methods, the actual amount of credit to be claimed. These methods of computation were the per-country limitation method and the overall limitation method. Under the per-country method, the credit was computed separately for the foreign taxes paid to each country or U.S. possession. The credit for taxes paid to each country was limited to the percentage of total U.S. tax that taxable income from each particular country bore to total taxable income from all sources, domestic and foreign. Under the overall method, the amount of credit was based on the total amount of taxes paid to all foreign countries and U.S. possessions. The credit could not exceed the percentage of total U.S. tax that taxable income from sources outside the United States bore to total taxable income from all sources.

The election of the overall method was advantageous to a taxpayer who paid taxes in several foreign countries at tax rates higher than and lower than their U.S. effective tax rate. By choosing the overall method the higher and lower rates were averaged and the total allowable tax credit for all foreign taxes was increased. The foreign tax credit computed under the overall method was less likely to exceed the allowable credit than if the taxpayer had used the per-country method. By choosing the per-country method, in countries with tax rates higher than applicable U.S. tax rates, foreign taxes would have exceeded the computed limitation.

Choice of the per-country method was advantageous for taxpayers with income or profits from some foreign countries and losses in others. Under these circumstances, the chances that foreign taxes would exceed the allowable credit were less than they might have been under the overall method where losses were included in computing the credit.

The per-country limitation method applied unless the taxpayer specifically elected the overall limitation method for the taxable year to which the election applied. The election could be made without consent of the Internal Revenue Service at any time before the expiration of the 3-year refund claim period for the taxable year involved. Once elected, the overall limitation was irrevocable without the consent of the Service. If revocation of the overall limitation method was consented to after the 3-year period, the overall method could not be elected again without the consent of the Service.

Those taxpayers claiming the benefit of the foreign tax credit were also limited in other ways on the amount of their creditable foreign taxes. Eligible taxes paid or accrued on foreign mineral income and on foreign oil and gas extraction income had to be reduced first, before computation of the credit. Taxes paid or accrued to a foreign country on mineral income derived in the country had to be reduced if a deduction for percentage depletion was allowed for any part of the mineral income. Under this provision foreign income taxes paid or accrued to a foreign country or U.S. possession on foreign mineral income were required to be reduced to the extent that the foreign taxes exceeded the amount of U.S. tax on such income. The amount of the reduction had to be made on a country-by-country basis, regardless of the limitation method used to compute the credit. Foreign

oil and gas extraction income taxes were also required to be reduced. The amount of this reduction for taxable years ending in 1975 was the amount of the oil and gas extraction income times 110 percent of the applicable U.S. tax rate on that income.

Furthermore, tax payments to a foreign country were not allowed as a credit if such taxes were refundable by the foreign country. Also, no credits were allowed for amounts representing interest or penalties due foreign countries.

Amounts of foreign income taxes which exceeded the allowable credit in the computation year were permitted to be carried back or carried over for inclusion in the foreign tax credit computation for the 2 prior years and 5 succeeding years. The excess taxes applied, first, to the earliest of the 7 applicable years, then forward to the next. Carryback or carryover was allowed provided the limitation method used during the carryback or carryover year was the same as that used during the computation year.

In computing the foreign tax credit for foreign taxes paid or accrued with respect to: (1) certain interest income as defined in Code section 904; (2) dividends received from a Domestic International Sales Corporation (DISC) or from a former DISC; and (3) foreign oil-related income, separate computations of the foreign tax credit from all other income were required. The separate limitation for taxes on certain interest income had to be applied on a per-country basis. The limitation for taxes on DISC dividends was applied to the aggregate of such dividends. The separate limitation for taxes on foreign oil-related income was first effective for taxable years ending after December 31, 1974, and was applied on either a per-country or overall limitation basis.

"Taxable income from foreign sources" was gross income less allocable deductions determined under the provisions of the Internal Revenue Code and applicable tax treaties between the United States and particular foreign countries. This taxable income was the base on which U.S. taxes on foreign earnings were determined. It could differ from the net income actually received from overseas computed under foreign tax law which was used as the basis for foreign taxation.

In computing taxable income from sources within a particular foreign country or U.S. possession, expenses, losses or other costs, which were directly allocable to the foreign income, were deductible from gross income. Other expenses which were not directly related to specific foreign source income items were deductible from gross income on a percentage basis. The numerator of the fraction was the gross income from sources within the particular foreign country and the denominator was the taxpayer's gross income from all sources, domestic and foreign. For purposes of computing the credit under either limitation method the deduction for personal and dependency exemptions was not allowed into the computation of foreign taxable income or total U.S. taxable income. Also, in computing total foreign taxable income and total U.S. taxable income, taxpayers could not take into account any foreign income exempt from U.S. tax as reported on Form 2555, Exemption of Income Earned Abroad. However, the amount of taxes paid or accrued on this tax exempt income were allowed in the foreign tax credit computation.

The foreign tax credit was not allowed to: (1) U.S. citizens entitled to an exemption from U.S. tax on income from sources within U.S. possessions, (2) U.S. citizens who were inhabitants of the U.S. Virgin Islands, and (3) citizens of U.S. possessions (except Puerto Rico) who were not otherwise U.S. citizens or residents. In addition, nonresident aliens (other than bona fide residents of Puerto Rico) were not allowed a foreign tax credit except for income taxes paid to a foreign country on foreign source income

that was "effectively connected" with a trade or business in the United States. However, because these taxpayers were required to file Form 1040NR, data relating to them are not included in the report since these forms were not used for the statistics. (See the discussion under "Sources of the data" in Section 2 for a further explanation of the returns contained in the statistical sample). Furthermore, the foreign tax credit benefits were denied to taxpayers unless they itemized their deductions.

Foreign income taxes imposed directly on an individual were not the only taxes eligible for a credit by the taxpayer. Subject to the same conditions mentioned above, individuals who were partners in a partnership or beneficiaries of an estate or trust were allowed a credit for their proportionate share of foreign taxes paid by a partnership or an estate or trust.

Origins of the Foreign Tax Credit

The Revenue Acts of 1913, 1916, and 1917 allowed foreign income taxes paid only as a deduction from gross income. During World War I, the income tax rates imposed by foreign countries increased sharply, causing the Congress to consider the alternative of allowing foreign income taxes as a credit against U.S. income tax. Foreign tax credit provisions were included for the first time in U.S. tax law by the Revenue Act of 1918. The new provisions were designed to provide U.S. individuals with relief from double taxation arising out of the imposition of income taxes by the foreign country from which income was received and by the United States as the country of nationality of the taxpayer. Through enactment of the credit, the United States retained its right to tax the foreign source income while recognizing the right of a foreign country to tax the same income.

The original foreign tax credit provisions, as enacted, contained no limitations on the amount of credit; however, in 1921, the overall limitation method of computing the credit was adopted. The overall method was the only computational method used by taxpayers until the introduction of the per-country method in 1932. For 1932-1954, individuals taking the

foreign tax credit were required to use whichever was the more restrictive of the two limitation methods in terms of the allowable credit. In 1954, the overall limitation was eliminated, but it was again reinstated on an elective basis for taxable years beginning after December 31, 1960. The carryback and carryover provisions were added into the computation of the foreign tax credit for any taxable year beginning after December 31, 1957 by the Technical Amendments Act of 1958. However, there could be no carryback to any taxable year beginning before January 1, 1958.

Summary of the Data on Foreign Tax Credit, 1972-1978

Table 1B compares the number of returns and foreign tax credit claimed by size of adjusted gross income for 1972-1978. It shows a considerable increase in foreign tax credit claimed over the 7-year period. The number of returns increased from approximately 202,000 for 1972 to approximately 278,000 for 1978, while the amount of foreign tax credit claimed increased from \$221 million to \$901 million. (In comparing 1975 with the other years shown, note should be taken of the differences in the statistical sample used for the 1975 data. See the discussion under "Sources of the data" in Section 2).

Charts 1C and 1D present, for 1975, the percent distribution by selected country, of taxable income from foreign sources and foreign taxes paid or accrued, respectively. Chart 1C reveals that more than two-thirds of the taxable income from foreign source was attributable to twelve foreign countries. Chart 1D shows that more than two-thirds of the foreign taxes paid or accrued was attributable to eleven foreign countries. Canada, with 18 percent of each total, accounted for more taxable income from foreign sources and more foreign taxes paid or accrued than any other foreign country. The United Kingdom was the source of 9 percent of the total foreign taxable income and 10 percent of the total foreign taxes paid or accrued. Therefore, two countries, Canada and the United Kingdom, accounted for more than one-fourth of both the total taxable income from foreign sources and the total foreign taxes paid or accrued.

Introduction and Summary

7

Table 1B.--Number of Returns With Foreign Tax Credit and Foreign Tax Credit Claimed by Size of Adjusted Gross Income, 1972-1978

[All figures are estimates based on samples--money amounts are in thousands of dollars]

| Size of adjusted gross income | 1972 | | 1973 | | 1974 | | 1975 | |
|--------------------------------|-------------------|---------|-------------------|---------|-------------------|---------|-------------------|---------|
| | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| All returns, total..... | 202,440 | 221,387 | 223,127 | 255,286 | 233,191 | 291,730 | 231,078 | 345,928 |
| \$1 under \$5,000..... | 6,879 | 909 | 11,898 | 1,391 | 11,231 | 1,458 | 7,253 | 1,031 |
| \$5,000 under \$10,000..... | 21,695 | 8,515 | 21,738 | 8,115 | 32,888 | 10,056 | 20,516 | 4,439 |
| \$10,000 under \$20,000..... | 43,373 | 14,843 | 63,122 | 27,200 | 50,043 | 24,874 | 44,446 | 36,997 |
| \$20,000 under \$30,000..... | 41,391 | 29,897 | 35,490 | 33,229 | 45,020 | 40,205 | 38,851 | 42,649 |
| \$30,000 under \$50,000..... | 40,227 | 29,911 | 42,018 | 50,086 | 36,311 | 61,321 | 59,969 | 91,885 |
| \$50,000 under \$100,000..... | 31,748 | 35,910 | 32,183 | 47,873 | 37,843 | 78,212 | 39,598 | 87,241 |
| \$100,000 under \$200,000..... | 12,078 | 22,893 | 11,918 | 27,789 | 14,213 | 33,816 | 14,768 | 31,594 |
| \$200,000 under \$500,000..... | 4,045 | 12,507 | 3,901 | 16,873 | 4,609 | 22,312 | 4,588 | 18,446 |
| \$500,000 or more..... | 1,004 | 66,002 | 859 | 42,730 | 1,033 | 19,476 | 1,089 | 31,645 |
| Total taxable returns..... | 189,557 | 193,327 | 204,023 | 225,006 | 214,136 | 248,267 | 212,694 | 290,154 |
| Total nontaxable returns..... | 12,883 | 28,059 | 19,104 | 30,280 | 19,055 | 43,463 | 18,384 | 55,774 |

| Size of adjusted gross income | 1976 | | 1977 | | 1978 | |
|--------------------------------|-------------------|---------|-------------------|---------|-------------------|---------|
| | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (9) | (10) | (11) | (12) | (13) | (14) |
| All returns, total..... | 255,749 | 427,627 | 240,874 | 451,033 | 278,267 | 901,030 |
| \$1 under \$5,000..... | *1,467 | *12 | 16,463 | 8,196 | 8,327 | 8,533 |
| \$5,000 under \$10,000..... | 24,033 | 4,863 | | | | |
| \$10,000 under \$20,000..... | 57,754 | 24,058 | 57,149 | 43,603 | 58,554 | 79,925 |
| \$20,000 under \$30,000..... | 51,599 | 59,908 | 38,376 | 48,363 | 51,047 | 65,173 |
| \$30,000 under \$50,000..... | 50,168 | 85,420 | 58,357 | 102,103 | 65,082 | 161,598 |
| \$50,000 under \$100,000..... | 47,348 | 118,640 | 46,179 | 119,078 | 64,255 | 302,491 |
| \$100,000 under \$200,000..... | 16,671 | 67,872 | 17,088 | 69,247 | 21,803 | 170,924 |
| \$200,000 under \$500,000..... | 5,410 | 26,183 | 5,783 | 33,820 | 7,398 | 62,144 |
| \$500,000 or more..... | 1,299 | 40,673 | 1,479 | 26,621 | 1,801 | 50,242 |
| Total taxable returns..... | 233,887 | 356,614 | 227,800 | 388,944 | 241,638 | 721,943 |
| Total nontaxable returns..... | 21,862 | 71,013 | 13,074 | 62,089 | 36,629 | 179,087 |

*Estimate should be used with caution because of the small number of sample returns on which it was based.

NOTE: The information for each of 1972-1974 and 1976-1978 appears in *Statistics of Income--Individual Income Tax Returns* publication for that year.

Detail may not add to totals because of rounding.

Chart 1C

Percent distribution of taxable income from foreign sources, by selected country, 1975

1975 Total taxable income from foreign sources: \$1,661,700,000



Chart 1D

Percent distribution of foreign taxes paid or accrued, by selected country, 1975

1975 Foreign taxes paid or accrued: \$439,515,000



Section 2

Description of the Sample and Limitations of the Data, 1975

The 1975 statistics in this report were estimated from two stratified probability samples of unaudited individual income tax returns processed during 1976. One of these samples was that used in the preparation of the annual publication, Statistics of Income--Individual Income Tax Returns. The basic SOI sample of 206,368 returns was selected from a population of 82,304,790 returns filed at the 10 Internal Revenue Service Centers. From this basic SOI sample 7,127 returns had a foreign tax credit claimed on the Form 1040, of which 383 returns were accompanied by a supporting Form 2555, Exemption of Income Earned Abroad.

The second sample used for this report was selected from the population of Form 1040 returns with an attached Form 2555. There were a total of 7,161 such returns systematically drawn from a population of 140,174 returns filed at the Philadelphia Service Center.

Both the Form 2555 sample and the basic Statistics of Income sample contained segments which were selected from the population of returns with a foreign tax credit supported by a Form 2555. Since the segment from the Form 2555 sample contained 3693 returns, sampled at rates considerably greater than those used to select the 383 returns of this type in the basic SOI sample, the Form 2555 segment was used to estimate this population for the foreign tax credit tables of this report. The population of returns with a foreign tax credit but no supporting Form 2555, the remainder of the population for these tables, was represented by 6,744 returns from the basic Statistics of Income sample. The overall sample obtained from these two sources totaled 10,437 returns.

The number of returns and the amount of foreign tax credit claimed, as shown in this report, of 231,078 and \$345,928,000, respectively, differ from the 233,510 and \$381,985,000 shown in Statistics of Income--1975, Individual Income Tax Returns. Several possibilities were explored as to why there was such a large numerical difference in the amount of foreign tax credit from these two sources.

An examination of nonsampling errors was conducted. The research done suggested that nonsampling differences were not a significant factor. The manual instructions for abstracting information from returns with a foreign tax credit were identical for both samples. Furthermore, included among the checks in the study was a detailed comparison during the computer processing stage between those returns that were in both the basic Statistics of Income sample and the Form 2555 sample. No discrepancies were noted for the approximately 100 returns in this group, even though they were independently edited for the two samples.

Sampling errors were calculated for the two estimates of foreign tax credit. These are shown in Table 2A. As noted in the table, the sampling error on the \$36.1 million difference between the two samples appears to be excessive. In fact, because of the sizable standard error associated with the difference, approximately \$22.1 million, it is not at all unlikely that a discrepancy could occur as large as that observed.

Table 2A.--Returns With Foreign Tax Credit: Selected Comparisons Between Alternative Estimates, 1975

[Numbers in thousands--amounts in millions]

| Item | Estimates and sampling error associated with-- | | Difference col. 2 minus col. 1 |
|---------------------------|--|---|--------------------------------|
| | This report | Statistics of Income--Individual Income Tax Returns, 1975 | |
| | (1) | (2) | (3) |
| Total number of returns.. | 231.1 | 233.5 | 2.4 |
| Foreign tax credit: | | | |
| Amount..... | 345.9 | 382.0 | 36.1 |
| Sampling error..... | 11.6 | 25.1 | 22.1 |

Sample Criteria and Selection

The 1975 population of Forms 1040 with Form 2555 attached was stratified by computer into sample strata based on size of adjusted gross income or deficit and size of foreign earned income. Table 2B shows the sample strata and the number of returns in the population and sample for each of the strata.

For the basic Statistics of Income sample of Forms 1040 and 1040A used as part of the total sample for the foreign tax credit statistics, returns filed during 1976 were computer-stratified into sample strata based on State groupings and on combinations of several tax return variables. The basic sample returns were also systematically selected. From these returns, only the ones which had a foreign tax credit were used in producing the estimates in this report. For a more complete description of the basic sample, see Statistics of Income, 1975--Individual Income Tax Returns.

All returns processed during 1976 were subject to sampling except tentative and amended returns for Income Year 1975. Tentative returns were not subjected to sampling because the revised returns may have been sampled later on, while amended returns were excluded because the original returns had already been subjected to sampling and it was impossible to associate the original with the amended return at the time of sampling.

Sample and Limitations of the Data

Table 2B.--Number of Form 1040 Returns With a Form 2555 Attached for the Exemption of Income Earned Abroad by Individuals, Population and Sample, 1975

| Description of the sample strata | Number or returns | |
|--|-------------------|--------|
| | Population | Sample |
| Total..... | 140,174 | 7,161 |
| Adjusted gross income and Foreign earned income | | |
| Under \$100,000..... Under \$50,000..... | 128,713 | 3,713 |
| Under \$100,000..... \$50,000 under \$70,000... | 7,555 | 1,237 |
| Under \$100,000..... \$70,000 under \$100,000.. | 3,222 | 1,527 |
| \$100,000 and over..... and/or \$100,000 and over..... | 684 | 684 |

Method of Estimation

For the basic Statistics of Income sample, a separate set of rates (by sample strata) for each of five groups of States was prescribed for the selection of the sample, the rates varying from less than .05 percent to 100 percent. For the sample used for Forms 1040 with a Form 2555 attached, one set of rates was prescribed for selection of the total sample, the rates varying from 3 percent to 100 percent. For both samples, the adequacy of the sample selection was reviewed, by sample stratum, by applying the prescribed rates to the number of returns filed. When the actual number of sample returns differed considerably from the expected number, a followup was conducted.

Sampling weights for both samples were obtained by dividing the number of returns filed per sample stratum by the number of sample returns actually received for the stratum. All sampling weights were then converted to "integer weighting factors" which were applied to each sample return. For example, if a weight of 44.24 was computed for a stratum, 24 percent of the sample returns in the stratum were systematically given a weighting factor of 45, and 76 percent a weight of 44.

The estimates in the basic tables are intended to represent the total returns with tax-exempt foreign earned income and foreign tax credit for Income Year 1975. While the overwhelming majority of returns processed in 1976 were for Calendar Year 1975, a few of them were for noncalendar years ended during 1975 and 1976 and some were delinquent returns for recent prior years. Returns for recent prior years were used for the 1975 statistics in place of 1975 returns processed for revenue purposes after December 31, 1976.

Sampling Variability

The particular sample used here for statistical purposes is one of a large number of all the possible samples of the same size that could be selected using the same sample design. Estimates derived from the different samples would differ from each other. The deviation of a sample estimate from the average of all possible samples is called the sampling variability. The standard deviation of an estimate is a measure of the variation among the estimates from the possible samples and thus is a measure of the precision with which an estimate from a particular sample approximates the average result of all possible samples.

The coefficient of variation is the standard deviation of the estimate expressed as a percent of

the estimate. For this report, coefficients of variation were computed using the sum-of-squares method for selected frequency and amount estimates and appear in Tables 1 and 11 of Section 3 of this report. The upper-limit coefficients of variation shown in Tables 2C and 2D were computed using a formula based on the sum-of-squares method. These coefficients, applicable to frequencies only, are meant as a general guide to be used when computed coefficients of variation are not shown. Table 2C is to be used for the tables in this report on Exemption of Income Earned Abroad by Individuals and Table 2D for tables on Foreign Tax Credit on Individual Returns.

The sample estimate and an estimate of its standard deviation permits the construction of "interval estimates" with prescribed confidence that the interval includes the average result of all possible samples. For example, in Table 1, Column 2 shows total adjusted gross income, X , of \$398.9 million for returns with adjusted gross income of \$30,000 under \$50,000, and column (a) shows a corresponding coefficient of variation, $CV(X)$, of 3.8 percent for this amount. The standard deviation of the estimate, $SD(X)$, is needed to construct the interval estimate and this is the product of the estimate, X , and its $CV(X)$ as follows:

$$\begin{aligned}
 SD(X) &= X \cdot CV(X) \\
 &= (\$398.9 \text{ million}) \times (0.038) \\
 &= \$15.2 \text{ million.}
 \end{aligned}$$

This $SD(X)$ value is then subtracted from and added to the estimate, X , to construct the 68 percent confidence interval estimate. The interval estimate is computed using the formula:

$$X - SD(X) \leq Y \leq X + SD(X)$$

with Y as the average result from all possible samples.

Based on these data, the interval estimate is from \$383.7 million (\$398.9 - \$15.2) to \$414.1 million (\$398.9 + \$15.2). A conclusion that the average estimate of adjusted gross income lies within a range computed in this manner would be correct for approximately two-thirds (68 percent) of all possible similarly selected samples. Finally, to obtain an interval estimate with 95 percent confidence, the $SD(X)$ value is multiplied by two. The resulting interval for these data would be from \$368.5 million to \$429.3 million.

Sample and Limitations of the Data

11

Table 2C.--Upper Limit Coefficients of Variation (In Percent) for the Estimated Number of Returns for the Exemption of Income Earned Abroad by Individuals, 1975

| Estimated number of returns | Returns with adjusted gross income (deficit) | |
|-----------------------------|--|---|
| | Under \$100,000 | \$100,000 and over |
| Under 300..... | (¹) | No sampling variability since all returns of this stratum are in sample |
| 300..... | 33.5 | |
| 400..... | 29.0 | |
| 500..... | 25.9 | |
| 600..... | 23.7 | |
| 800..... | 20.5 | |
| 1,000..... | 18.3 | |
| 1,500..... | 15.0 | |
| 2,000..... | 13.0 | |
| 3,000..... | 10.6 | |
| 5,000..... | 8.2 | |
| 7,000..... | 6.9 | |
| 9,000..... | 6.1 | |
| 10,000..... | 5.8 | |
| 16,000..... | 4.6 | |
| 20,000..... | 4.1 | |
| 30,000..... | 3.4 | |
| 50,000..... | 2.6 | |
| 100,000..... | 1.8 | |
| 140,000..... | 1.6 | |

¹Excessive sampling variability for the estimated number of returns.

Table 2D.--Upper Limit Coefficients of Variation (In Percent) for the Estimated Number of Returns for the Foreign Tax Credit on Individual Income Tax Returns, 1975

| Estimated number of returns | Returns with adjusted gross income (deficit) | | | | | | |
|-----------------------------|--|-------------------------|-------------------------|--------------------------|---------------------------|---------------------------|---|
| | Under \$10,000 | \$10,000 under \$20,000 | \$20,000 under \$50,000 | \$50,000 under \$100,000 | \$100,000 under \$200,000 | \$200,000 under \$500,000 | \$500,000 and over |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| 25..... | (¹) | (¹) | (¹) | (¹) | (¹) | 34.6 | No sampling variability since all returns of this stratum are in sample |
| 50..... | (¹) | (¹) | (¹) | (¹) | (¹) | 24.5 | |
| 75..... | (¹) | (¹) | (¹) | (¹) | 34.6 | 20.0 | |
| 100..... | (¹) | (¹) | (¹) | (¹) | 30.0 | 17.3 | |
| 150..... | (¹) | (¹) | (¹) | (¹) | 24.5 | 14.1 | |
| 300..... | (¹) | (¹) | (¹) | 37.8 | 17.3 | 10.0 | |
| 500..... | (¹) | (¹) | (¹) | 29.3 | 13.4 | 7.7 | |
| 700..... | (¹) | (¹) | (¹) | 24.8 | 11.3 | 6.5 | |
| 900..... | (¹) | (¹) | (¹) | 21.8 | 10.0 | 5.8 | |
| 1,100..... | (¹) | (¹) | (¹) | 19.8 | 9.0 | 5.2 | |
| 1,500..... | (¹) | (¹) | (¹) | 16.9 | 7.7 | 4.5 | |
| 2,000..... | (¹) | (¹) | (¹) | 14.6 | 6.7 | 3.9 | |
| 3,000..... | (¹) | (¹) | (¹) | 12.0 | 5.5 | 3.2 | |
| 5,000..... | (¹) | (¹) | 36.0 | 9.3 | 4.2 | 2.4 | |
| 7,000..... | (¹) | 33.8 | 30.5 | 7.8 | 3.6 | 2.1 | |
| 10,000..... | (¹) | 28.2 | 25.5 | 6.6 | 3.0 | (²) | |
| 15,000..... | 37.0 | 23.1 | 20.8 | 5.3 | 2.4 | (²) | |
| 20,000..... | 32.0 | 20.0 | 18.0 | 4.6 | (²) | (²) | |
| 30,000..... | 26.1 | 16.3 | 14.7 | 3.8 | (²) | (²) | |
| 50,000..... | 20.2 | 12.6 | 11.4 | (²) | (²) | (²) | |
| 70,000..... | 17.1 | (²) | 9.6 | (²) | (²) | (²) | |
| 90,000..... | 15.1 | (²) | 8.5 | (²) | (²) | (²) | |
| 120,000..... | 13.1 | (²) | (²) | (²) | (²) | (²) | |
| 160,000..... | 11.3 | (²) | (²) | (²) | (²) | (²) | |
| 200,000..... | 10.1 | (²) | (²) | (²) | (²) | (²) | |
| 240,000..... | 9.2 | (²) | (²) | (²) | (²) | (²) | |

¹Excessive sampling variability for the estimated number of returns.

²Not applicable since the estimated number of returns is greater than population estimates.

Sample and Limitations of the Data

Frequencies or amounts with excessive sampling variability are indicated in this report by a single asterisk (*) to the left of the data item(s).

A dash in place of a frequency or amount indicates that: (1) if returns were sampled at a rate of 100 percent, no returns had the particular characteristic; or (2) if returns were sampled at a rate of less than 100 percent, either no returns in the population had the characteristic or the characteristic was so rare that it did not appear on any sample returns.

Other Data Limitations

Various techniques were used to control and improve the quality of the data during the processing stages. During statistical editing, editors were instructed to correct tax return errors whenever possible through reference to other entries on the

return or accompanying schedules and to adjust data to achieve consistency in statistical definitions. The quality of the editing was controlled by means of a continuous subsampling verification system. In transcribing and tabulating the information from the returns in the samples, additional checks were imposed to improve the quality of the resulting estimates. Transcription of the data was subjected to 100 percent verification.

Prior to tabulation numerous computer tests were applied to each return record to assure that proper balance and relationship among return items were maintained. Lastly, prior to publication all statistics and tables were reviewed for accuracy and reasonableness in light of provisions of the tax laws, taxpayer reporting variations and limitations, economic conditions, comparability with other statistical series and statistical techniques used in data processing.

EXEMPTION OF INCOME EARNED ABROAD

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- 2 Income, tax and foreign tax credit, and income earned abroad and tax-exempt amount, by selected country in which income was earned, 16
- 3 Number of returns for selected items, by selected country in which income was earned, 18
- 4 Income, tax and foreign tax credit, and income earned abroad and tax-exempt amount, by selected country in which income was earned and by size of adjusted gross income, 19
- 5 Income, tax and foreign tax credit, and income earned abroad and tax-exempt amount, by selected country in which income was earned and by type of residence status abroad, 24

Returns With Form 1116 Filed in Support of Foreign Tax Credit Claimed:

- 6 Income, tax and foreign tax credit, and income earned abroad and tax-exempt amount, by size of adjusted gross income, 26
- 7 Income, tax and foreign tax credit, and income earned abroad and tax-exempt amount, by selected country in which income was earned, 27

FOREIGN TAX CREDIT

Basic Tables

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- 10 Sources of income, deductions and tax items, and foreign income, taxes and credit, by percent of taxable foreign income to total taxable income, 40
- 11 Income and taxes, and foreign income, taxes and credit, by selected country to which foreign taxes were paid, 43
- 12 Number of returns for selected items by selected country to which foreign taxes were paid, 47
- 13 Income and taxes, and foreign income taxes and credit, by selected country to which foreign taxes were paid and by credit-limitation method, 48
- 14 Income and taxes and foreign income, taxes and credit, number of returns and amounts from Forms 1040 and 1116, 52

Returns With Form 1116 Filed in Support of Foreign Tax Credit Claimed and With Form 2555, Exemption of Income Earned Abroad:

- 15 Income and taxes, and foreign income, taxes and credit, by selected country to which foreign taxes were paid, 53

Exemption of Income Earned Abroad by Individuals, 1975

ALL RETURNS

Table 1.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Size of Adjusted Gross Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

| Size of adjusted gross income | Number of returns | Income and taxes from all sources | | | | | | | | Coefficient of variation for amount (Percent) ¹ | |
|---------------------------------|-------------------|------------------------------------|------------|---------|-------------------|-----------|--------------------------------|----------------------------|---------|--|----------------------------|
| | | Adjusted gross income less deficit | Exemptions | | Taxable income | | U.S. income tax before credits | Foreign tax credit claimed | | Adjusted gross income less deficit | Foreign tax credit claimed |
| | | | Number | Amount | Number of returns | Amount | | Number of returns | Amount | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (a) | (b) |
| All returns, total | 140,195 | 1,588,381 | 407,737 | 305,752 | 68,962 | 1,157,593 | 331,417 | 33,139 | 168,449 | 1.46 | 1.76 |
| No adjusted gross income | 34,761 | —4,110 | 75,828 | 56,871 | — | — | — | — | — | 36.46 | (²) |
| \$1 under \$5,000 | 41,155 | 69,546 | 109,158 | 81,855 | 6,968 | 7,636 | 1,290 | 833 | 230 | 3.49 | 23.08 |
| \$5,000 under \$10,000 | 15,789 | 113,833 | 49,486 | 37,107 | 13,830 | 47,294 | 7,768 | 2,882 | 1,680 | 4.41 | 12.89 |
| \$10,000 under \$20,000 | 21,443 | 314,273 | 71,583 | 53,661 | 21,119 | 205,405 | 39,339 | 9,559 | 14,893 | 3.69 | 6.69 |
| \$20,000 under \$30,000 | 11,218 | 272,067 | 40,754 | 30,566 | 11,218 | 207,862 | 46,595 | 7,107 | 23,522 | 5.00 | 6.63 |
| \$30,000 under \$50,000 | 10,468 | 398,854 | 39,497 | 29,621 | **15,357 | 332,788 | 93,159 | 8,078 | 53,575 | 3.80 | 3.51 |
| \$50,000 under \$100,000 | 4,891 | 317,034 | 19,571 | 14,677 | ** | 273,669 | 100,278 | 4,243 | 57,907 | 4.30 | 3.11 |
| \$100,000 under \$200,000 | 386 | 52,043 | 1,527 | 1,145 | 386 | 45,881 | 20,965 | 364 | 10,827 | (²) | (²) |
| \$200,000 under \$500,000 | 77 | 21,365 | 309 | 232 | 77 | 18,842 | 9,845 | 66 | 4,702 | (²) | (²) |
| \$500,000 or more | 7 | 33,475 | 24 | 18 | 7 | 18,215 | 12,178 | 7 | 1,113 | (²) | (²) |
| Taxable returns, total | 58,249 | 1,351,169 | 188,332 | 141,220 | 58,178 | 1,028,126 | 296,204 | 25,324 | 134,666 | 1.75 | 2.04 |
| Under \$10,000 | 16,042 | 101,045 | 38,814 | 29,103 | 16,006 | 45,743 | 7,445 | 1,734 | 776 | 4.54 | 17.15 |
| \$10,000 under \$20,000 | 18,094 | 265,199 | 59,012 | 44,238 | 18,059 | 176,579 | 33,820 | 6,644 | 9,758 | 4.08 | 8.28 |
| \$20,000 or more | 24,113 | 984,925 | 90,506 | 67,879 | 24,113 | 805,803 | 254,939 | 16,946 | 124,132 | 2.32 | 2.14 |
| Nontaxable returns, total | 81,946 | 237,212 | 219,405 | 164,533 | 10,784 | 129,467 | 35,213 | 7,815 | 33,784 | 3.50 | 4.49 |
| Under \$10,000 | 75,663 | 78,224 | 195,658 | 146,730 | **10,784 | 9,188 | 1,612 | 1,981 | 1,134 | 4.54 | 15.83 |
| \$10,000 under \$20,000 | 3,349 | 49,074 | 12,571 | 9,423 | ** | 28,825 | 5,519 | 2,915 | 5,136 | 10.05 | 11.81 |
| \$20,000 or more | 2,934 | 109,914 | 11,176 | 8,379 | ** | 91,454 | 28,082 | 2,919 | 27,514 | 5.44 | 5.04 |

| Size of adjusted gross income | Income and taxes from all sources—Continued | | | | Income earned abroad for personal services—attributable to current year | | | | | | Coefficient of variation for amount of total foreign earned income attributable to current year (Percent) ¹ |
|---------------------------------|---|-----------------------|---------|-----------|---|-----------|------------------------|---------------------------|--------|------------------|--|
| | Other credits | Total U.S. income tax | | Total | Salaries and wages | | Pensions and annuities | Business income less loss | | | |
| | | Number of returns | Amount | | Number of returns | Amount | | Number of returns | Amount | | |
| | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (c) | |
| All returns, total | 7,477 | 58,249 | 155,491 | 3,027,045 | 137,093 | 2,541,445 | 4,048 | 2,310 | 30,742 | 0.86 | |
| No adjusted gross income | — | — | — | 389,870 | 33,888 | 369,258 | *1,159 | 626 | 4,681 | 3.18 | |
| \$1 under \$5,000 | 364 | 4,987 | 696 | 551,971 | 40,010 | 515,458 | 894 | 732 | 3,847 | 2.93 | |
| \$5,000 under \$10,000 | 961 | 11,055 | 5,126 | 277,484 | 15,370 | 248,475 | *762 | 314 | 4,792 | 5.20 | |
| \$10,000 under \$20,000 | 1,894 | 18,094 | 22,552 | 547,350 | 21,234 | 476,887 | *843 | 105 | *1,654 | 4.15 | |
| \$20,000 under \$30,000 | 1,379 | 9,948 | 21,694 | 387,976 | 11,068 | 311,707 | *71 | 198 | 4,484 | 5.19 | |
| \$30,000 under \$50,000 | 1,468 | 9,267 | 38,115 | 484,132 | 10,342 | 354,795 | *130 | 160 | 3,331 | 3.02 | |
| \$50,000 under \$100,000 | 865 | 4,462 | 41,506 | 325,936 | 4,757 | 223,201 | *94 | 154 | 5,511 | 2.57 | |
| \$100,000 under \$200,000 | 392 | 361 | 9,746 | 43,145 | 355 | 29,265 | 94 | 14 | 1,472 | (²) | |
| \$200,000 under \$500,000 | 152 | **75 | 4,991 | 15,897 | 65 | 11,159 | 1 | **7 | **970 | (²) | |
| \$500,000 or more | 1 | ** | 11,065 | 3,282 | 4 | 1,240 | — | ** | ** | (²) | |
| Taxable returns, total | 6,047 | 58,249 | 155,491 | 1,757,488 | 57,488 | 1,400,378 | 1,682 | 742 | 15,265 | 1.72 | |
| Under \$10,000 | 847 | 16,042 | 5,822 | 233,172 | 15,729 | 211,767 | *509 | 244 | *2,595 | 5.39 | |
| \$10,000 under \$20,000 | 1,510 | 18,094 | 22,552 | 431,199 | 17,990 | 381,995 | *843 | 70 | *1,133 | 4.65 | |
| \$20,000 or more | 3,690 | 24,113 | 127,117 | 1,093,117 | 23,769 | 806,617 | 331 | 428 | 12,537 | 2.18 | |
| Nontaxable returns, total | 1,430 | — | — | 1,269,557 | 79,605 | 1,141,067 | 2,366 | 1,568 | 15,477 | 1.72 | |
| Under \$10,000 | 478 | — | — | 986,153 | 73,539 | 921,425 | 2,306 | 1,428 | 10,724 | 1.87 | |
| \$10,000 under \$20,000 | 384 | — | — | 116,151 | 3,244 | 94,893 | — | 35 | *1,521 | 10.16 | |
| \$20,000 or more | 568 | — | — | 167,252 | 2,822 | 124,750 | *60 | 105 | 3,232 | 5.31 | |

Footnotes at end of table.

ALL RETURNS

Table 1.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Size of Adjusted Gross Income—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Size of adjusted gross income | Income earned abroad for personal services—attributable to current year—Continued | | | | | | | | Coefficient of variation for amount of total tax-exempt income (Percent)* | |
|---------------------------------|---|------------------------|-----------|----------------------------------|-----------|--------------------------------|---------|-------------------|---|------------------|
| | Partnership income less loss | Other income less loss | Total | Tax-exempt amount | | | | Taxable amount | | |
| | | | | By U.S. citizens meeting— | | | | Number of returns | | Amount |
| | | | | Bona fide foreign residence test | | 17-month foreign presence test | | | | |
| | | | | Number of returns | Amount | Number of returns | Amount | | | |
| | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (d) |
| All returns, total | 14,129 | 436,674 | 1,995,202 | 103,657 | 1,546,725 | 36,538 | 448,477 | 58,807 | 1,031,841 | 0.80 |
| No adjusted gross income | *263 | 14,508 | 387,182 | 28,470 | 317,702 | 6,291 | 69,481 | 339 | 2,688 | 3.19 |
| \$1 under \$5,000 | *2,028 | 29,744 | 530,351 | 30,490 | 401,523 | 10,665 | 128,828 | 8,492 | 21,620 | 2.90 |
| \$5,000 under \$10,000 | *329 | 23,125 | 225,947 | 9,430 | 148,789 | 6,359 | 77,158 | 9,606 | 51,537 | 5.06 |
| \$10,000 under \$20,000 | *1,344 | 66,620 | 353,655 | 13,643 | 254,005 | 7,800 | 99,650 | 16,210 | 193,694 | 4.05 |
| \$20,000 under \$30,000 | *340 | 71,372 | 198,938 | 7,933 | 153,362 | 3,285 | 45,576 | 10,281 | 189,037 | 5.25 |
| \$30,000 under \$50,000 | *1,629 | 124,247 | 195,035 | 8,697 | 172,673 | 1,771 | 22,362 | 9,737 | 289,097 | 3.41 |
| \$50,000 under \$100,000 | 3,055 | 94,076 | 93,733 | 4,536 | 88,523 | 355 | 5,210 | 4,681 | 232,203 | 3.14 |
| \$100,000 under \$200,000 | 2,354 | 9,960 | 8,371 | 378 | 8,240 | 8 | 131 | 379 | 34,775 | (²) |
| \$200,000 under \$500,000 | 2,177 | 1,615 | 1,814 | 73 | 1,734 | 4 | 80 | **82 | 14,083 | (²) |
| \$500,000 or more | 610 | 1,408 | 175 | 7 | 175 | — | — | ** | 3,107 | (²) |
| Taxable returns, total | 8,466 | 331,693 | 914,074 | 38,798 | 675,977 | 19,451 | 238,097 | 42,294 | 843,413 | 1.96 |
| Under \$10,000 | *345 | 17,957 | 197,562 | 8,993 | 118,482 | 7,049 | 79,080 | 6,754 | 35,610 | 5.21 |
| \$10,000 under \$20,000 | — | 48,227 | 282,414 | 10,825 | 190,966 | 7,269 | 91,448 | 13,208 | 148,785 | 4.53 |
| \$20,000 or more | 8,122 | 265,509 | 434,098 | 18,980 | 366,529 | 5,133 | 67,569 | 22,332 | 659,018 | 2.69 |
| Nontaxable returns, total | 5,663 | 104,981 | 1,081,128 | 64,859 | 870,748 | 17,087 | 210,380 | 16,513 | 188,429 | 1.66 |
| Under \$10,000 | *2,276 | 49,420 | 945,919 | 59,397 | 749,531 | 16,266 | 196,387 | 10,683 | 40,235 | 1.82 |
| \$10,000 under \$20,000 | *1,344 | 18,393 | 71,242 | 2,818 | 63,039 | 531 | 8,203 | 3,002 | 44,910 | 10.14 |
| \$20,000 or more | 2,043 | 37,168 | 63,968 | 2,644 | 58,178 | 290 | 5,790 | 2,828 | 103,285 | 6.52 |

¹ Estimate should be used with caution because of the small number of sample returns on which it was based.² Identifies (a) size classes for which data were deleted because of the small number of sample returns on which they were based and (b) combined frequencies or amounts that include the data deleted from another size class.³ See Sampling Variability section of text for interpretation and limitation of these coefficient of variation estimates.⁴ Estimate is not shown separately because of the small number of sample returns on which it was based.⁵ Returns in these cells are not subject to sampling variability.

NOTE: Detail may not add to total because of rounding.

Exemption of Income Earned Abroad by Individuals, 1975

ALL RETURNS

Table 2.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Selected Country in Which Income was Earned

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country | Number of returns | Income and taxes from all sources | | | | | Income earned abroad for personal services—attributable to current year | | | |
|--|-------------------|------------------------------------|------------------|--------------------------------|----------------------------|-----------------------|---|--------------------|-------------------------|------------------|
| | | Adjusted gross income less deficit | Taxable income | U.S. income tax before credits | Foreign tax credit claimed | Total U.S. income tax | Total | Salaries and wages | Total tax-exempt amount | Taxable amount |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| All geographic areas | 140,195 | 1,588,381 | 1,157,593 | 331,417 | 168,449 | 155,491 | 3,027,045 | 2,541,445 | 1,995,202 | 1,031,841 |
| Canada | 18,722 | 102,098 | 63,982 | 18,039 | 11,671 | 6,008 | 316,239 | 299,271 | 261,349 | 54,890 |
| Latin America, total | 18,335 | 220,235 | 167,998 | 48,479 | 28,248 | 19,208 | 419,022 | 346,264 | 270,759 | 148,263 |
| Mexico | 3,065 | 41,238 | 31,792 | 9,205 | 5,373 | 3,553 | 81,070 | 71,219 | 50,885 | 30,184 |
| Central America, total | 2,283 | 14,070 | 9,469 | 2,471 | 1,037 | 1,391 | 38,329 | 32,551 | 30,557 | 7,772 |
| Costa Rica | 527 | 1,884 | *596 | *130 | *13 | *113 | 7,173 | 5,792 | 6,170 | *1,003 |
| Guatemala | 471 | 3,452 | 2,376 | 705 | *171 | 526 | 7,814 | 6,989 | 6,397 | *1,417 |
| Honduras | 417 | 1,516 | *914 | *211 | *8 | *195 | 5,454 | 4,566 | 4,901 | *553 |
| Panama (excluding Canal Zone) | 405 | 4,138 | 3,218 | 840 | *567 | *259 | 9,804 | 7,321 | 6,981 | 2,823 |
| Caribbean countries, total | 1,635 | 13,765 | 8,889 | 2,171 | 1,068 | 1,028 | 30,420 | 26,392 | 22,586 | 7,834 |
| Dominican Republic | 347 | 6,098 | *1,592 | *313 | *51 | *250 | 6,876 | 5,991 | 5,417 | *1,459 |
| Haiti | 348 | *1,238 | *657 | *141 | — | *137 | 4,629 | *3,598 | 4,274 | *355 |
| Jamaica | 330 | 4,788 | 3,382 | 982 | 580 | 375 | 5,663 | 4,678 | 3,271 | 2,392 |
| Trinidad and Tobago | 401 | 4,241 | 2,607 | 628 | 437 | 172 | 10,828 | 9,749 | 7,440 | 3,388 |
| South America, total | 11,352 | 151,161 | 117,848 | 34,631 | 20,770 | 13,235 | 269,204 | 216,102 | 166,731 | 102,473 |
| Argentina | 415 | 4,068 | 3,221 | 966 | *369 | 584 | 7,629 | 6,479 | 4,731 | 2,899 |
| Bolivia | 314 | *2,144 | *1,669 | *448 | *264 | *179 | 4,745 | 4,408 | 3,820 | *926 |
| Brazil | 4,325 | 6,6913 | 54,225 | 15,836 | 10,995 | 4,594 | 113,754 | 85,086 | 64,989 | 48,765 |
| Chile | 430 | 2,618 | *2,108 | *513 | *280 | *227 | 8,364 | 6,681 | 6,501 | *1,863 |
| Colombia | 1,181 | 9,792 | 6,807 | 2,080 | 746 | 1,293 | 20,041 | 16,032 | 15,071 | 4,970 |
| Ecuador | 547 | 5,402 | 4,003 | 983 | 698 | 253 | 13,396 | 11,074 | 10,167 | 3,229 |
| Peru | 1,498 | 14,593 | 9,195 | 2,289 | 1,536 | 691 | 28,134 | 23,733 | 18,737 | 9,396 |
| Venezuela | 2,277 | 43,328 | 35,388 | 11,176 | 5,813 | 5,156 | 68,735 | 58,546 | 39,380 | 29,355 |
| Other Western Hemisphere, total | 2,507 | 16,556 | 10,578 | 3,077 | 628 | 2,306 | 47,360 | 44,393 | 37,306 | 10,054 |
| The Bahamas | 1,192 | 6,785 | 4,086 | 961 | *1 | 916 | 21,748 | 21,078 | 17,917 | 3,831 |
| Bermuda | 164 | 2,402 | 1,844 | 796 | *3 | 713 | 3,010 | 3,010 | 2,184 | *1,085 |
| Netherlands Antilles | 415 | 4,151 | 3,072 | 814 | 537 | 268 | 9,246 | 7,881 | 5,842 | 3,404 |
| Other British West Indies | 520 | 2,327 | *956 | *362 | *33 | *321 | 9,687 | 9,147 | 8,642 | *1,046 |
| Europe, total | 43,626 | 688,058 | 512,314 | 155,633 | 74,252 | 78,436 | 1,051,550 | 844,838 | 609,213 | 442,335 |
| Common Market countries, total | 33,195 | 567,731 | 423,571 | 130,041 | 62,088 | 65,621 | 825,732 | 661,415 | 463,531 | 362,200 |
| Belgium | 2,385 | 79,413 | 66,720 | 21,098 | 14,107 | 6,770 | 105,042 | 74,958 | 44,292 | 61,750 |
| Denmark | 268 | 2,242 | 1,525 | 474 | 405 | *59 | 3,930 | 3,076 | 2,554 | *1,375 |
| France (including Andorra) | 3,800 | 82,941 | 65,047 | 20,768 | 10,272 | 10,194 | 112,943 | 78,267 | 56,586 | 56,357 |
| Ireland | 416 | 4,182 | 2,783 | 675 | *180 | 466 | 7,421 | 6,482 | 4,989 | 2,432 |
| Italy (including San Marino) | 2,428 | 25,275 | 18,437 | 5,093 | 1,737 | 3,263 | 53,936 | 41,855 | 35,871 | 18,066 |
| Luxembourg | 292 | 4,337 | 3,628 | 999 | 684 | 305 | 8,035 | 6,020 | 4,795 | 3,240 |
| Netherlands | 1,387 | 28,865 | 22,222 | 6,456 | 4,354 | 1,964 | 47,094 | 37,050 | 23,936 | 23,158 |
| United Kingdom | 11,838 | 234,091 | 165,998 | 53,391 | 17,860 | 34,608 | 306,976 | 264,123 | 170,500 | 136,476 |
| West Germany | 10,381 | 106,384 | 77,211 | 21,087 | 12,491 | 7,991 | 179,354 | 149,583 | 120,008 | 59,345 |
| Other West European countries, total | 10,195 | 114,643 | 84,323 | 24,395 | 12,140 | 11,664 | 220,150 | 179,042 | 142,782 | 77,368 |
| Austria | 761 | 9,795 | 7,307 | 2,023 | 1,224 | 763 | 17,625 | 13,682 | 10,241 | 7,384 |
| Greece | 1,176 | 7,206 | 4,539 | 1,216 | 267 | 910 | 17,815 | 15,338 | 13,308 | 4,507 |
| Norway | 977 | 10,286 | 7,254 | 1,703 | 915 | 671 | 19,088 | 16,697 | 12,446 | 6,641 |
| Portugal | 149 | 3,045 | 2,369 | 712 | *279 | 426 | 5,245 | 3,045 | 2,689 | 2,556 |
| Spain | 2,136 | 16,493 | 10,655 | 2,796 | 1,387 | 1,272 | 42,725 | 35,447 | 29,591 | 13,134 |
| Sweden | 581 | 5,986 | 4,700 | 1,481 | 1,192 | 271 | 12,349 | 9,438 | 7,825 | 4,525 |
| Switzerland | 3,199 | 51,221 | 41,197 | 13,033 | 6,629 | 6,217 | 83,293 | 65,271 | 50,296 | 32,996 |
| Turkey | 628 | 5,355 | 3,381 | 678 | *49 | 611 | 9,797 | 9,335 | 7,344 | 2,453 |
| East European countries | 236 | 5,683 | 4,420 | 1,198 | *24 | 1,150 | 5,668 | 4,381 | 2,900 | 2,768 |
| Africa, total | 10,307 | 87,374 | 62,101 | 16,392 | 9,359 | 6,278 | 198,870 | 167,151 | 139,945 | 58,925 |
| North Africa, total | 2,221 | 31,540 | 24,703 | 6,830 | 4,799 | 1,706 | 66,070 | 54,621 | 40,279 | 25,790 |
| Algeria | 521 | 4,845 | 3,203 | 648 | *171 | 452 | 13,450 | 12,261 | 9,996 | 3,455 |
| Egypt | 464 | 5,841 | 4,746 | 1,520 | 875 | 396 | 12,233 | 10,301 | 7,359 | 4,873 |
| Libya | 945 | 19,261 | 15,612 | 4,306 | 3,685 | 575 | 35,005 | 27,641 | 18,582 | 16,422 |
| East Africa, total | 1,870 | 6,956 | 4,163 | 974 | *277 | 669 | 27,047 | 22,850 | 22,366 | 4,681 |
| Ethiopia | 499 | 1,049 | *606 | *201 | *37 | *162 | 4,126 | 3,349 | 3,509 | *617 |
| Kenya | 883 | 3,729 | 2,404 | 550 | *239 | 291 | 14,130 | 11,004 | 10,828 | 3,302 |
| West and Central African countries, total | 4,110 | 33,078 | 21,735 | 5,539 | 3,045 | 2,198 | 73,461 | 61,789 | 54,087 | 19,374 |
| Ghana | 346 | *2,133 | *1,181 | *215 | *167 | *25 | 6,632 | 5,173 | 4,989 | *1,644 |
| Liberia | 462 | 3,163 | 1,438 | 323 | *174 | *130 | 8,059 | 6,438 | 6,501 | *1,558 |
| Nigeria | 1,098 | 18,415 | 13,799 | 3,768 | 2,150 | 1,488 | 28,788 | 23,787 | 17,011 | 11,777 |
| Zaire | 918 | 3,751 | 1,508 | 314 | *133 | 159 | 12,645 | 11,766 | 11,310 | *1,335 |
| Southern Africa, total | 2,106 | 15,800 | 11,499 | 3,048 | 1,239 | 1,704 | 32,293 | 27,892 | 23,213 | 9,080 |
| South Africa (including South-West Africa) | 1,098 | 12,977 | 10,012 | 2,745 | 1,232 | 1,423 | 22,817 | 19,738 | 14,093 | 8,724 |
| Zambia | 451 | 1,678 | *852 | *168 | *7 | *149 | 3,678 | 3,094 | 3,466 | *212 |

Footnote at end of table.

Exemption of Income Earned Abroad by Individuals, 1975

17

ALL RETURNS

Table 2.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Selected Country in Which Income was Earned—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country | Number of returns | Income and taxes from all sources | | | | | Income earned abroad for personal services—attributable to current year | | | |
|--|-------------------|------------------------------------|----------------|--------------------------------|----------------------------|-----------------------|---|--------------------|-------------------------|----------------|
| | | Adjusted gross income less deficit | Taxable income | U.S. income tax before credits | Foreign tax credit claimed | Total U.S. income tax | Total | Salaries and wages | Total tax-exempt amount | Taxable amount |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| Asia, total | 37,066 | 425,206 | 308,083 | 81,675 | 41,055 | 38,706 | 844,479 | 699,207 | 550,703 | 293,776 |
| Middle East, total | 14,923 | 171,900 | 119,837 | 29,701 | 12,998 | 15,939 | 365,793 | 317,252 | 241,969 | 123,824 |
| Bahrain | 232 | 3,462 | 2,700 | 731 | *333 | 390 | 6,516 | 4,967 | 4,157 | *2,359 |
| Iran | 6,143 | 76,443 | 52,378 | 12,905 | 5,187 | 7,395 | 164,367 | 138,601 | 107,833 | 56,534 |
| Israel | 2,508 | 5,574 | 2,611 | 656 | *203 | 410 | 16,805 | 16,071 | 15,021 | *1,784 |
| Kuwait | 207 | 2,590 | 1,708 | 400 | *13 | *372 | 5,384 | 4,489 | 3,095 | *2,289 |
| Lebanon | 468 | 6,076 | 4,690 | 1,342 | 344 | 937 | 12,191 | 9,570 | 7,212 | 4,979 |
| Saudia Arabia | 4,952 | 68,176 | 49,326 | 12,205 | 6,810 | 5,121 | 138,222 | 123,701 | 89,468 | 48,754 |
| United Arab Emirates | 648 | 7,052 | 4,499 | 1,064 | *85 | 950 | 18,251 | 16,738 | 12,380 | 5,871 |
| Southern and Southeastern Asia, total | 13,334 | 141,282 | 102,703 | 26,562 | 14,709 | 11,189 | 279,917 | 227,908 | 184,956 | 94,961 |
| India | 649 | 1,857 | *1,177 | *342 | *253 | *81 | 8,169 | 6,772 | 6,997 | *1,172 |
| Indonesia | 2,921 | 37,093 | 28,725 | 7,492 | 5,090 | 2,269 | 76,427 | 62,006 | 46,476 | 29,950 |
| Malaysia | 781 | 10,168 | 7,560 | 2,067 | 1,397 | 596 | 22,318 | 16,665 | 13,791 | 8,527 |
| Pakistan | 317 | 2,266 | *1,073 | *226 | *85 | *122 | 4,352 | 4,070 | 3,376 | *977 |
| Philippines | 2,133 | 24,094 | 17,698 | 4,458 | 2,080 | 2,279 | 38,809 | 30,282 | 25,313 | 13,496 |
| Singapore | 2,978 | 40,728 | 29,862 | 7,969 | 4,695 | 3,107 | 78,244 | 61,511 | 49,395 | 28,850 |
| South Vietnam | 1,449 | 6,893 | 2,940 | 555 | — | 525 | 15,464 | 14,762 | 13,835 | *1,629 |
| Thailand | 1,491 | 14,072 | 10,024 | 2,525 | 859 | 1,588 | 25,338 | 22,545 | 17,799 | 7,539 |
| Eastern Asia, total | 8,809 | 112,025 | 85,542 | 25,411 | 13,348 | 11,577 | 198,769 | 154,046 | 123,778 | 74,992 |
| China, Republic of (Taiwan) | 1,126 | 11,683 | 8,362 | 2,027 | 1,029 | 945 | 24,394 | 19,912 | 17,419 | 6,975 |
| Hong Kong | 1,671 | 24,213 | 19,156 | 5,520 | 2,992 | 2,431 | 50,525 | 37,742 | 30,653 | 19,872 |
| Japan (including Okinawa and Ryukyu Islands) | 5,100 | 67,283 | 52,594 | 16,571 | 9,028 | 7,260 | 110,624 | 85,529 | 65,458 | 45,167 |
| South Korea, Republic of | 878 | 8,124 | 4,849 | 1,172 | 299 | 821 | 12,279 | 10,011 | 9,710 | 2,568 |
| Oceania, total | 8,837 | 44,228 | 29,525 | 7,479 | 3,219 | 3,951 | 139,513 | 130,553 | 116,573 | 22,940 |
| Australia | 5,412 | 27,352 | 18,754 | 5,113 | 2,857 | 2,148 | 87,795 | 81,034 | 70,014 | 17,781 |
| New Zealand | 671 | 3,738 | *2,505 | *639 | *153 | *476 | 7,060 | 6,014 | 6,370 | *690 |
| Country not stated | 795 | 4,626 | 3,013 | 643 | *18 | 597 | 10,012 | 9,769 | 9,353 | 659 |

*Data should be used with caution because of the small number of sample returns on which it was based.

NOTE: Detail may not add to total because of rounding.

Exemption of Income Earned Abroad by Individuals, 1975

ALL RETURNS

Table 3.—Number of Returns for Selected Items, by Selected Country in Which Income was Earned

[All figures are estimates based on samples]

| Selected country | Number of returns | | | | | |
|--|-------------------|---------------------------------|----------------------------|-----------------------|---|-------------------------------|
| | Total | Taxable income from all sources | Foreign tax credit claimed | Total U.S. income tax | Salaries and wages attributable to current year | Taxable foreign earned income |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| All geographic areas | 140,195 | 68,962 | 33,139 | 58,249 | 137,093 | 58,807 |
| Canada | 18,722 | 5,425 | 2,818 | 3,982 | 18,324 | 4,328 |
| Latin America, total | 18,335 | 8,995 | 5,716 | 7,231 | 17,684 | 7,961 |
| Mexico | 3,065 | 1,716 | 1,079 | 1,319 | 2,989 | 1,511 |
| Central America, total | 2,283 | 648 | 252 | 468 | 2,174 | 547 |
| Guatemala | 471 | 87 | *44 | 87 | 467 | *53 |
| Panama (excluding Canal Zone) | 405 | 196 | *127 | *121 | 370 | 162 |
| South America, total | 11,352 | 5,831 | 4,073 | 4,758 | 10,955 | 5,311 |
| Brazil | 4,325 | 2,343 | 1,802 | 1,822 | 4,109 | 2,068 |
| Chile | 430 | *118 | *77 | *116 | 430 | *153 |
| Colombia | 1,181 | 450 | 311 | 408 | 1,142 | 416 |
| Peru | 1,498 | 664 | 422 | 476 | 1,395 | 665 |
| Venezuela | 2,277 | 1,551 | 1,157 | 1,311 | 2,238 | 1,445 |
| Other Western Hemisphere | 2,507 | 876 | 149 | 787 | 2,471 | 705 |
| Europe, total | 43,626 | 25,247 | 12,118 | 22,024 | 42,373 | 20,333 |
| Common Market countries, total | 33,195 | 20,334 | 10,282 | 17,663 | 32,225 | 16,293 |
| Belgium | 2,385 | 2,142 | 1,755 | 1,683 | 2,382 | 2,107 |
| France (including Andorra) | 3,800 | 2,512 | 1,527 | 2,161 | 3,523 | 2,170 |
| Italy (including San Marino) | 2,428 | 1,037 | 453 | 997 | 2,275 | 1,073 |
| Luxembourg | 292 | 156 | 116 | 107 | 292 | 156 |
| Netherlands | 1,387 | 1,144 | 682 | 991 | 1,318 | 1,006 |
| United Kingdom | 11,838 | 7,462 | 3,998 | 6,775 | 11,735 | 6,539 |
| West Germany | 10,381 | 5,544 | 1,631 | 4,651 | 10,087 | 3,112 |
| Other West European countries, total | 10,195 | 4,712 | 1,800 | 4,194 | 9,912 | 3,839 |
| Austria | 761 | 413 | 149 | 367 | 758 | 310 |
| Greece | 1,176 | 550 | 77 | 478 | 1,174 | 308 |
| Norway | 977 | 561 | 176 | 487 | 942 | 387 |
| Spain | 2,136 | 784 | 345 | 635 | 1,988 | 779 |
| Sweden | 581 | 198 | 93 | 187 | 578 | 197 |
| Switzerland | 3,199 | 1,361 | 826 | 1,201 | 3,111 | 1,117 |
| Africa, total | 10,307 | 4,570 | 2,308 | 3,652 | 10,200 | 3,993 |
| North Africa, total | 2,221 | 1,526 | 967 | 1,223 | 2,218 | 1,391 |
| Algeria | 521 | 348 | *143 | 311 | 521 | 314 |
| Libya | 945 | 736 | 631 | 560 | 945 | 807 |
| East Africa, total | 1,870 | 480 | *120 | 403 | 1,867 | 412 |
| Kenya | 883 | 259 | *116 | 217 | 883 | 226 |
| West and Central African countries, total | 4,110 | 1,849 | 799 | 1,523 | 4,075 | 1,545 |
| Ghana | 346 | *208 | *104 | *173 | 346 | *173 |
| Liberia | 462 | 255 | *115 | *185 | 462 | *220 |
| Nigeria | 1,098 | 710 | 425 | 602 | 1,098 | 648 |
| Zaire | 918 | 397 | *48 | 287 | 918 | *155 |
| Southern Africa, total | 2,106 | 715 | 422 | 503 | 2,037 | 645 |
| South Africa (including South-West Africa) | 1,098 | 540 | 352 | 328 | 1,098 | 505 |
| Asia, total | 37,066 | 20,955 | 9,030 | 17,911 | 36,549 | 19,698 |
| Middle East, total | 14,923 | 9,396 | 3,620 | 8,088 | 14,808 | 9,850 |
| Bahrain | 232 | 197 | *82 | 198 | 232 | *93 |
| Iran | 6,143 | 4,122 | 1,083 | 3,708 | 6,140 | 4,721 |
| Lebanon | 468 | 225 | 74 | 184 | 433 | 191 |
| Saudi Arabia | 4,952 | 3,804 | 2,280 | 3,056 | 4,950 | 3,943 |
| United Arab Emirates | 648 | 405 | *54 | 370 | 642 | 511 |
| Southern and Southeastern Asia, total | 13,334 | 6,922 | 3,162 | 5,964 | 13,045 | 6,481 |
| Indonesia | 2,921 | 1,742 | 1,212 | 1,383 | 2,887 | 1,852 |
| Malaysia | 781 | 403 | 257 | 355 | 781 | 438 |
| Philippines | 2,133 | 1,126 | 490 | 954 | 2,022 | 881 |
| Singapore | 2,978 | 1,834 | 996 | 1,646 | 2,937 | 1,940 |
| South Vietnam | 1,449 | 552 | — | 518 | 1,415 | *276 |
| Thailand | 1,491 | 657 | 162 | 573 | 1,491 | 589 |
| Eastern Asia, total | 8,809 | 4,637 | 2,248 | 3,859 | 8,696 | 3,367 |
| China, Republic of (Taiwan) | 1,126 | 639 | 225 | 597 | 1,092 | 434 |
| Hong Kong | 1,671 | 969 | 668 | 732 | 1,634 | 1,011 |
| Japan (including Okinawa and Ryukyu Islands) | 5,100 | 2,535 | 1,324 | 2,113 | 5,058 | 1,774 |
| South Korea, Republic of | 878 | 460 | 31 | 383 | 878 | 114 |
| Oceania, total | 8,837 | 2,547 | 966 | 2,315 | 8,697 | 1,685 |
| Australia | 5,412 | 1,552 | 600 | 1,423 | 5,377 | 998 |
| New Zealand | 671 | *222 | *48 | *222 | 601 | *48 |
| Country not stated | 795 | 347 | *34 | 347 | 795 | *104 |

* Estimate should be used with caution because of the small number of sample returns on which it was based.

Exemption of Income Earned Abroad by Individuals, 1975

19

ALL RETURNS

Table 4.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Selected Country in Which Income was Earned and by Size of Adjusted Gross Income

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country and size of adjusted gross income | Number of returns | Income and taxes from all sources | | | | | Income earned abroad for personal services-attributable to current year | | | | | |
|--|-------------------|------------------------------------|----------------|--------------------------------|----------------------------|-----------------------|---|--------------------|-------------------|----------------------------------|--------------------------------|----------------|
| | | Adjusted gross income less deficit | Taxable income | U.S. income tax before credits | Foreign tax credit claimed | Total U.S. income tax | Total | Salaries and wages | Tax-exempt amount | | | Taxable amount |
| | | | | | | | | | Total | By U.S. citizens meeting— | | |
| | | | | | | | | | | Bona fide foreign residence test | 17-month foreign presence test | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | |
| All geographic areas, total | 140,195 | 1,588,381 | 1,157,593 | 331,417 | 168,449 | 155,491 | 3,027,045 | 2,541,445 | 1,995,202 | 1,546,725 | 448,477 | 1,031,841 |
| No adjusted gross income | 34,761 | —4,110 | — | — | — | — | 389,870 | 369,258 | 387,182 | 317,702 | 69,481 | 2,688 |
| \$1 under \$5,000 | 41,155 | 69,546 | 7,636 | 1,290 | 230 | 696 | 551,971 | 515,458 | 530,351 | 401,523 | 128,828 | 21,620 |
| \$5,000 under \$10,000 | 15,789 | 113,833 | 47,294 | 7,768 | 1,680 | 5,126 | 277,484 | 248,475 | 225,947 | 148,789 | 77,158 | 51,537 |
| \$10,000 under \$20,000 | 21,443 | 314,273 | 205,405 | 39,339 | 14,893 | 22,552 | 547,350 | 476,887 | 353,655 | 254,005 | 99,650 | 193,694 |
| \$20,000 under \$30,000 | 11,218 | 272,067 | 207,862 | 46,595 | 23,522 | 21,694 | 387,976 | 311,707 | 198,938 | 153,362 | 45,576 | 189,037 |
| \$30,000 under \$50,000 | 10,468 | 398,854 | 332,788 | 93,159 | 53,575 | 38,115 | 484,132 | 354,795 | 195,035 | 172,773 | 22,362 | 289,097 |
| \$50,000 under \$100,000 | 4,891 | 317,034 | 273,669 | 100,278 | 57,907 | 41,506 | 325,936 | 223,201 | 93,733 | 88,523 | 5,210 | 232,203 |
| \$100,000 under \$200,000 | 386 | 52,043 | 45,881 | 20,965 | 10,827 | 9,746 | 43,145 | 29,265 | 8,371 | 8,240 | *131 | 34,775 |
| \$200,000 under \$500,000 | 77 | 21,365 | 18,842 | 9,845 | 4,702 | 4,991 | 15,897 | 11,159 | 1,814 | 1,734 | *80 | 14,083 |
| \$500,000 or more | 7 | 33,475 | 18,215 | 12,178 | 1,113 | 11,065 | 3,282 | 1,240 | 175 | 175 | — | 3,107 |
| Taxable returns, total | 58,249 | 1,351,169 | 1,028,126 | 296,204 | 134,666 | 155,491 | 1,757,488 | 1,400,378 | 914,074 | 675,977 | 238,097 | 843,413 |
| Under \$10,000 | 16,042 | 101,045 | 45,743 | 7,445 | 776 | 5,822 | 233,172 | 211,767 | 197,562 | 118,482 | 79,080 | 35,610 |
| \$10,000 under \$20,000 | 18,094 | 265,199 | 176,579 | 33,820 | 9,758 | 22,552 | 431,199 | 381,995 | 282,414 | 190,966 | 91,448 | 148,785 |
| \$20,000 or more | 24,113 | 984,925 | 805,803 | 254,939 | 124,132 | 127,117 | 1,093,117 | 806,617 | 434,098 | 366,529 | 67,569 | 659,018 |
| Nontaxable returns, total | 81,946 | 237,212 | 129,467 | 35,213 | 33,784 | — | 1,269,557 | 1,141,067 | 1,081,128 | 870,748 | 210,380 | 188,429 |
| Under \$10,000 | 75,663 | 78,224 | 9,188 | 1,612 | 1,134 | — | 986,153 | 921,425 | 945,919 | 749,531 | 196,387 | 40,235 |
| \$10,000 under \$20,000 | 3,349 | 49,074 | 28,825 | 5,519 | 5,136 | — | 116,151 | 94,893 | *71,242 | 63,039 | 8,203 | 44,910 |
| \$20,000 or more | 2,934 | 109,914 | 91,454 | 28,082 | 27,514 | — | 167,252 | 124,750 | 63,968 | 58,178 | 5,790 | 103,285 |
| Canada, total | 18,722 | 102,098 | 63,982 | 18,039 | 11,671 | 6,008 | 316,239 | 299,271 | 261,349 | 248,763 | 12,586 | 54,890 |
| No adjusted gross income | 7,082 | *—371 | — | — | — | — | 87,603 | 84,937 | 87,131 | 84,021 | *3,110 | *472 |
| \$1 under \$5,000 | 7,113 | 12,802 | 1,506 | 223 | *90 | 96 | 103,954 | 99,017 | 100,392 | 95,611 | 4,781 | 3,562 |
| \$5,000 under \$10,000 | 1,706 | 11,871 | 5,350 | 840 | 266 | 508 | 26,778 | 24,765 | 21,662 | 20,439 | *1,223 | 4,616 |
| \$10,000 under \$20,000 | 1,510 | 22,201 | 13,506 | 2,548 | 1,160 | 1,264 | 37,616 | 37,269 | 26,202 | 23,590 | *2,613 | 11,414 |
| \$20,000 under \$30,000 | 472 | 11,387 | 8,744 | 2,029 | 1,440 | 552 | 17,494 | 16,118 | 9,345 | 8,797 | *549 | 8,149 |
| \$30,000 under \$50,000 | 567 | 21,658 | 15,841 | 4,398 | 2,478 | 1,861 | 21,929 | 20,154 | 10,582 | 10,373 | *209 | 11,347 |
| \$50,000 under \$100,000 | 235 | 15,238 | 12,279 | 4,644 | 3,272 | 1,341 | 14,764 | 12,699 | 5,123 | 5,023 | *101 | 9,641 |
| \$100,000 under \$200,000 | 30 | 4,168 | 3,718 | 1,720 | 1,377 | 339 | 3,614 | 2,787 | 711 | 711 | — | 2,903 |
| \$200,000 or more | 7 | 3,144 | 3,037 | 1,637 | 1,589 | 47 | *2,988 | *1,525 | 200 | *200 | — | 2,788 |
| Taxable returns, total | 3,982 | 72,214 | 50,158 | 13,675 | 7,387 | 6,008 | 87,256 | 81,733 | 54,739 | 50,468 | 4,271 | 32,517 |
| Under \$10,000 | 1,700 | 9,630 | 4,589 | 738 | *78 | 604 | 16,617 | 16,181 | 15,216 | 14,080 | *1,136 | *1,400 |
| \$10,000 under \$20,000 | 1,162 | 17,298 | 10,830 | 2,051 | 680 | 1,264 | 24,729 | 24,428 | 18,262 | 15,649 | *2,613 | 6,467 |
| \$20,000 or more | 1,120 | 45,286 | 34,740 | 10,885 | 6,630 | 4,140 | 45,910 | 41,124 | 21,260 | 20,739 | *521 | 24,649 |
| Nontaxable returns, total | 14,740 | 29,884 | 13,823 | 4,365 | 4,284 | — | 228,984 | 217,538 | 206,610 | 198,295 | 8,315 | 22,373 |
| Under \$10,000 | 14,201 | 14,673 | 2,267 | 325 | 278 | — | 201,218 | 192,539 | 193,968 | 185,991 | 7,978 | 7,249 |
| \$10,000 under \$20,000 | 348 | 4,903 | *2,676 | 496 | *480 | — | 12,887 | 12,841 | 7,940 | 7,940 | — | 4,946 |
| \$20,000 or more | 191 | 10,309 | 8,880 | 3,543 | 3,526 | — | 14,879 | 12,159 | 4,702 | 4,364 | *337 | 10,177 |
| Latin America, total | 18,335 | 220,235 | 167,998 | 48,479 | 28,248 | 19,208 | 419,022 | 346,264 | 270,759 | 240,823 | 29,936 | 148,263 |
| No adjusted gross income | 4,689 | —611 | — | — | — | — | 49,248 | 45,273 | 48,814 | 44,482 | 4,332 | *434 |
| \$1 under \$5,000 | 5,203 | 8,244 | 946 | 260 | *48 | 68 | 66,620 | 59,998 | 65,006 | 58,850 | 6,156 | 1,614 |
| \$5,000 under \$10,000 | 1,523 | 11,124 | 4,393 | 728 | 197 | 458 | 28,811 | 26,552 | 23,687 | 18,148 | 5,539 | 5,124 |
| \$10,000 under \$20,000 | 2,685 | 38,470 | 25,826 | 5,062 | 2,852 | 1,998 | 77,008 | 60,407 | 49,267 | 42,085 | 7,182 | 27,741 |
| \$20,000 under \$30,000 | 1,980 | 48,148 | 37,199 | 8,454 | 5,259 | 2,946 | 71,549 | 55,739 | 37,632 | 32,365 | 5,267 | 33,917 |
| \$30,000 under \$50,000 | 1,415 | 53,623 | 45,289 | 12,795 | 8,139 | 4,506 | 70,256 | 54,033 | 29,148 | 27,943 | *1,205 | 41,108 |
| \$50,000 under \$100,000 | 763 | 49,470 | 43,448 | 16,120 | 9,859 | 6,080 | 46,858 | 36,819 | 15,344 | 15,088 | *256 | 31,514 |
| \$100,000 under \$200,000 | 68 | 9,018 | 8,308 | 3,723 | 1,434 | 2,277 | 6,337 | 5,641 | 1,641 | 1,641 | — | 4,697 |
| \$200,000 or more | 9 | 2,748 | 2,589 | 1,338 | 461 | 875 | 2,336 | 1,803 | 220 | 220 | — | 2,116 |
| Taxable returns, total | 7,231 | 181,734 | 145,230 | 42,330 | 22,463 | 19,208 | 242,985 | 193,762 | 124,498 | 107,916 | 16,582 | 118,487 |
| Under \$10,000 | 1,557 | 9,758 | 4,476 | 720 | 113 | 526 | 22,532 | 20,648 | 19,630 | 15,322 | 4,308 | 2,901 |
| \$10,000 under \$20,000 | 2,017 | 29,287 | 20,465 | 4,060 | 1,917 | 1,998 | 52,431 | 42,969 | 33,446 | 26,964 | 6,482 | 18,985 |
| \$20,000 or more | 3,657 | 142,678 | 120,289 | 37,550 | 20,432 | 16,684 | 168,023 | 130,145 | 71,422 | 65,630 | 5,793 | 96,601 |
| Nontaxable returns, total | 11,104 | 38,501 | 22,767 | 6,149 | 5,786 | — | 176,037 | 152,501 | 146,260 | 132,906 | 13,354 | 29,777 |
| Under \$10,000 | 9,858 | 8,999 | 863 | 269 | *131 | — | 122,147 | 111,175 | 117,877 | 106,158 | 11,719 | 4,270 |
| \$10,000 under \$20,000 | 668 | 9,172 | 5,361 | 1,002 | 935 | — | 24,577 | 17,437 | 15,821 | 15,121 | *700 | 8,756 |
| \$20,000 or more | 578 | 20,329 | 16,544 | 4,878 | 4,719 | — | 29,313 | 23,889 | 12,563 | 11,627 | *935 | 16,750 |
| Brazil, total | 4,325 | 66,913 | 54,225 | 15,836 | 10,995 | 4,594 | 113,754 | 85,086 | 64,989 | 57,953 | 7,036 | 48,765 |
| No adjusted gross income | 1,043 | *—69 | — | — | — | — | — | — | — | — | — | — |
| \$1 under \$5,000 | 1,042 | 1,267 | *77 | *11 | — | *5 | 14,124 | 12,766 | 13,741 | 11,887 | *1,854 | *384 |
| \$5,000 under \$10,000 | *278 | *2,030 | *962 | *161 | *56 | *95 | *4,102 | *3,722 | *3,619 | *3,619 | — | *483 |
| \$10,000 under \$20,000 | 558 | 8,700 | 6,576 | 1,367 | 930 | 401 | 18,221 | 12,786 | 10,968 | 9,570 | *1,398 | 7,253 |
| \$20,000 under \$30,000 | 494 | 11,675 | 9,146 | 2,015 | 1,471 | 453 | 17,471 | 11,145 | 9,137 | 7,224 | *1,914 | 8,334 |
| \$30,000 under \$50,000 | 602 | 22,117 | 18,750 | 5,267 | 3,428 | 1,776 | 29,299 | 20,855 | 11,695 | 10,856 | *839 | 17,604 |
| \$50,000 under \$100,000 | 289 | 18,445 | 16,248 | 5,880 | 4,388 | 1,456 | 18,403 | 13,194 | 5,667 | 5,564 | *103 | 12,736 |
| \$100,000 under \$500,000 | 19 | 2,748 | 2,467 | 1,135 | 723 | 408 | 2,389 | 1,802 | 416 | 416 | — | 1,973 |
| \$500,000 or more | — | — | — | — | — | — | — | — | — | — | — | — |
| Taxable returns, total | 1,822 | 52,322 | 43,487 | 12,810 | 8,053 | 4,594 | 70,155 | 50,598 | 31,238 | 27,163 | 4,073 | 38,919 |
| Under \$10,000 | 311 | 1,930 | 822 | 132 | *19 | 100 | 3,409 | *3,156 | 3,154 | *2,635 | *519 | *255 |
| \$10,000 under \$20,000 | 383 | 5,886 | 4,581 | 972 | *549 | 401 | 11,933 | 10,155 | 7,036 | *5,638 | *1,398 | 4,897 |
| \$20,000 or more | 1,128 | 44,506 | 38,084 | 11,705 | 7,485 | 4,092 | 54,813 | 37,287 | 21,046 | 18,890 | 2,156 | 33,767 |
| Nontaxable returns, total | 2,503 | 14,591 | 10,738 | 3,027 | 2,942 | — | 43,599 | 34,488 | 33,753 | 30,790 | *2,963 | 9,846 |
| Under \$10,000 | 2,052 | 1,297 | *217 | *39 | *37 | — | 24,583 | 22,148 | 23,951 | 21,688 | *2,263 | *612 |
| \$10,000 under \$20,000 | *175 | *2,814 | *1,995 | *395 | *381 | — | *6,288 | *2,631 | *3,932 | *3,932 | — | *2,355 |
| \$20,000 or more | 276 | 10,479 | 8,526 | 2,593 | 2,524 | — | 12,749 | 9,710 | 5,870 | 5,170 | *700 | 6,879 |

Footnote at end of table.

Exemption of Income Earned Abroad by Individuals, 1975

ALL RETURNS

Table 4.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Selected Country in Which Income was Earned and by Size of Adjusted Gross Income—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country and size of adjusted gross income | Number of returns | Income and taxes from all sources | | | | | Income earned abroad for personal services-attributable to current year | | | | | |
|--|-------------------|------------------------------------|----------------|--------------------------------|----------------------------|-----------------------|---|--------------------|-------------------|----------------------------------|--------------------------------|----------------|
| | | Adjusted gross income less deficit | Taxable income | U.S. income tax before credits | Foreign tax credit claimed | Total U.S. income tax | Total | Salaries and wages | Tax-exempt amount | | | Taxable amount |
| | | | | | | | | | Total | By U.S. citizens meeting— | | |
| | | | | | | | | | | Bona fide foreign residence test | 17-month foreign presence test | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | |
| Mexico, total | 3,065 | 41,238 | 31,792 | 9,205 | 5,373 | 3,553 | 81,070 | 71,219 | 50,885 | 47,862 | *3,023 | 30,184 |
| No adjusted gross income | 725 | *121 | — | — | — | — | 7,316 | 6,620 | 7,316 | 6,873 | *443 | — |
| \$1 under \$5,000 | 693 | 1,257 | *133 | *139 | — | *13 | 9,158 | 8,700 | 9,145 | 9,145 | — | *13 |
| \$5,000 under \$10,000 | *276 | *1,997 | *739 | *131 | *44 | *72 | *7,786 | *7,403 | *6,267 | *5,587 | *680 | *1,520 |
| \$10,000 under \$20,000 | 588 | 8,511 | 6,186 | 1,275 | 724 | 505 | 18,174 | 15,417 | 11,434 | 10,067 | *1,367 | 6,740 |
| \$20,000 under \$30,000 | 336 | 7,886 | 5,675 | 1,279 | 947 | *291 | 12,995 | 11,554 | 7,212 | 6,679 | *533 | 5,783 |
| \$30,000 under \$50,000 | 298 | 11,436 | 9,832 | 2,802 | 1,592 | 1,184 | 14,366 | 11,794 | 6,138 | 6,138 | — | 8,227 |
| \$50,000 under \$100,000 | 141 | 8,550 | 7,685 | 2,817 | 1,768 | 1,026 | 9,737 | 8,221 | 3,218 | 3,218 | — | 6,519 |
| \$100,000 under \$200,000 | 5 | 768 | 652 | 294 | 97 | 197 | 634 | 605 | 81 | 81 | — | 554 |
| \$200,000 under \$500,000 | 3 | 954 | 888 | 468 | 201 | 267 | 904 | 904 | 75 | 75 | — | 829 |
| \$500,000 or more | — | — | — | — | — | — | — | — | — | — | — | — |
| Taxable returns, total | 1,319 | 34,225 | 27,860 | 8,056 | 4,377 | 3,553 | 49,924 | 42,035 | 25,867 | 23,287 | *2,580 | 24,057 |
| Under \$10,000 | *173 | *1,117 | *648 | *110 | *16 | *85 | *3,462 | *3,358 | *3,049 | *2,369 | *680 | *414 |
| \$10,000 under \$20,000 | 449 | 6,781 | 5,112 | 1,076 | *540 | 505 | 13,056 | 10,569 | 8,050 | 6,683 | *1,367 | 5,006 |
| \$20,000 or more | 697 | 26,326 | 22,100 | 6,869 | 3,821 | 2,964 | 33,406 | 28,107 | 14,768 | 14,235 | *533 | 18,638 |
| Nontaxable returns, total | 1,746 | 7,013 | 3,931 | 1,150 | 996 | — | 31,145 | 29,184 | 25,018 | 24,575 | *443 | 6,127 |
| Under \$10,000 | 1,521 | 2,015 | *225 | *160 | *29 | — | 20,798 | 19,364 | 19,679 | 19,236 | *443 | *1,118 |
| \$10,000 under \$20,000 | *139 | *1,730 | *1,074 | *199 | *184 | — | *5,118 | *4,848 | *3,384 | *3,384 | — | *1,734 |
| \$20,000 or more | 86 | 3,267 | 2,633 | 791 | 783 | — | 5,230 | 4,972 | 1,955 | 1,955 | — | 3,275 |
| Europe, total | 43,626 | 688,058 | 512,314 | 155,633 | 74,252 | 78,436 | 1,051,550 | 844,838 | 609,213 | 472,193 | 137,020 | 442,335 |
| No adjusted gross income | 9,221 | —711 | — | — | — | — | 98,826 | 93,556 | 98,127 | 80,821 | 17,306 | *699 |
| \$1 under \$5,000 | 10,190 | 16,475 | 1,607 | 249 | *13 | 166 | 122,872 | 114,271 | 119,495 | 93,235 | 26,260 | 3,377 |
| \$5,000 under \$10,000 | 4,800 | 34,691 | 13,682 | 2,226 | 247 | 1,654 | 76,016 | 66,656 | 62,419 | 40,945 | 21,474 | 13,597 |
| \$10,000 under \$20,000 | 7,532 | 112,007 | 74,002 | 14,127 | 5,030 | 8,378 | 189,260 | 167,543 | 119,312 | 81,277 | 38,035 | 69,948 |
| \$20,000 under \$30,000 | 4,426 | 107,982 | 81,450 | 18,075 | 8,478 | 9,079 | 150,264 | 118,744 | 73,742 | 55,306 | 18,436 | 76,521 |
| \$30,000 under \$50,000 | 4,575 | 174,878 | 145,175 | 40,548 | 23,286 | 16,601 | 212,993 | 152,600 | 84,018 | 71,710 | 12,308 | 128,975 |
| \$50,000 under \$100,000 | 2,630 | 172,440 | 146,923 | 53,742 | 29,014 | 24,261 | 168,217 | 110,951 | 46,723 | 43,642 | 3,081 | 121,493 |
| \$100,000 under \$200,000 | 203 | 27,071 | 23,366 | 10,519 | 5,632 | 4,772 | 23,346 | 14,609 | 4,254 | 4,174 | *80 | 19,092 |
| \$200,000 under \$500,000 | 44 | 11,497 | 9,632 | 4,932 | 2,222 | 2,640 | 8,372 | 5,160 | 998 | 958 | *40 | 7,374 |
| \$500,000 or more | 5 | 31,728 | 16,475 | 11,215 | 330 | 10,885 | 1,384 | 748 | 125 | 125 | — | 1,259 |
| Taxable returns, total | 22,024 | 608,219 | 464,776 | 142,304 | 61,422 | 78,436 | 714,174 | 547,337 | 335,338 | 245,340 | 89,998 | 378,835 |
| Under \$10,000 | 4,862 | 31,684 | 13,957 | 2,273 | 144 | 1,820 | 63,291 | 55,956 | 53,116 | 30,112 | 23,004 | 10,175 |
| \$10,000 under \$20,000 | 6,377 | 94,088 | 63,350 | 12,006 | 3,075 | 8,378 | 149,851 | 135,179 | 95,626 | 60,729 | 34,897 | 54,225 |
| \$20,000 or more | 10,785 | 482,446 | 387,468 | 128,024 | 58,203 | 68,238 | 501,032 | 356,202 | 186,596 | 154,499 | 32,097 | 314,435 |
| Nontaxable returns, total | 21,602 | 79,839 | 47,538 | 13,330 | 12,830 | — | 337,376 | 297,501 | 273,875 | 226,853 | 47,022 | 63,501 |
| Under \$10,000 | 19,349 | 18,770 | 1,331 | 202 | *115 | — | 234,424 | 218,527 | 226,925 | 184,889 | 42,036 | 7,498 |
| \$10,000 under \$20,000 | 1,155 | 17,919 | 10,652 | 2,121 | 1,955 | — | 39,409 | 32,364 | 23,686 | 20,548 | *1,338 | 15,723 |
| \$20,000 or more | 1,098 | 43,150 | 35,555 | 11,007 | 10,759 | — | 63,543 | 46,610 | 23,264 | 21,416 | *1,848 | 40,279 |
| France (including Andorra), total | 3,800 | 82,941 | 65,047 | 20,768 | 10,272 | 10,194 | 112,943 | 78,267 | 56,586 | 48,104 | 8,482 | 56,357 |
| No adjusted gross income | 736 | *199 | — | — | — | — | 9,307 | 8,377 | 9,098 | 8,234 | *864 | *209 |
| \$1 under \$5,000 | 588 | 893 | *49 | *7 | (*) | *1 | 6,300 | 5,681 | 6,154 | 4,583 | *1,571 | *147 |
| \$5,000 under \$10,000 | *278 | *1,881 | *351 | *53 | *12 | *24 | *6,263 | *4,418 | *5,408 | *4,820 | *588 | *855 |
| \$10,000 under \$20,000 | 693 | 9,747 | 6,887 | 1,338 | *508 | 791 | 15,415 | 13,020 | 10,379 | 8,270 | *2,110 | 5,035 |
| \$20,000 under \$30,000 | 453 | 11,126 | 8,123 | 1,850 | 724 | 1,031 | 13,669 | 9,226 | 6,866 | 5,537 | *1,329 | 6,804 |
| \$30,000 under \$50,000 | 565 | 21,507 | 17,192 | 4,776 | 2,512 | 2,222 | 25,202 | 16,119 | 9,916 | 8,369 | *1,546 | 15,287 |
| \$50,000 under \$100,000 | 432 | 28,719 | 24,503 | 9,029 | 5,049 | 3,891 | 29,545 | 17,353 | 7,572 | 7,098 | *474 | 21,973 |
| \$100,000 under \$200,000 | 43 | 5,791 | 5,003 | 2,248 | 946 | 1,291 | 4,859 | 2,749 | 910 | 910 | — | 3,949 |
| \$200,000 or more | 12 | 3,475 | 2,939 | 1,466 | 519 | 944 | 2,383 | 1,323 | 283 | 283 | — | 2,100 |
| Taxable returns, total | 2,161 | 75,689 | 60,538 | 19,399 | 8,933 | 10,194 | 83,341 | 53,497 | 33,340 | 27,293 | 6,046 | 50,001 |
| Under \$10,000 | *141 | *833 | *273 | *42 | *11 | *25 | *1,790 | *963 | *1,572 | *984 | *588 | *218 |
| \$10,000 under \$20,000 | 588 | 8,154 | 5,524 | 1,016 | *191 | 791 | 11,305 | 9,485 | 7,859 | 5,750 | *2,110 | 3,445 |
| \$20,000 or more | 1,432 | 66,702 | 54,740 | 18,341 | 8,731 | 9,379 | 70,247 | 43,048 | 23,908 | 20,559 | 3,349 | 46,338 |
| Nontaxable returns, total | 1,639 | 7,252 | 4,509 | 1,369 | 1,339 | — | 29,602 | 24,770 | 23,246 | 20,811 | *2,435 | 6,356 |
| Under \$10,000 | 1,461 | 1,743 | *127 | *18 | *2 | — | 20,080 | 17,513 | 19,088 | 16,653 | *2,435 | *992 |
| \$10,000 under \$20,000 | *105 | *1,592 | *1,363 | *323 | *318 | — | *4,110 | *3,535 | *2,520 | *2,520 | — | *1,590 |
| \$20,000 or more | 73 | 3,916 | 3,019 | 1,029 | 1,019 | — | 5,412 | 3,722 | 1,638 | 1,638 | — | 3,774 |
| Switzerland, total | 3,199 | 51,221 | 41,197 | 13,033 | 6,629 | 6,217 | 83,293 | 65,271 | 50,296 | 45,663 | 4,633 | 32,996 |
| No adjusted gross income | 1,110 | — | — | — | — | — | 16,729 | 15,914 | 16,729 | 16,309 | *420 | — |
| \$1 under \$5,000 | 727 | 808 | *9 | *1 | *1 | — | 11,238 | 10,948 | 11,005 | 10,081 | *925 | *233 |
| \$5,000 under \$10,000 | *139 | *940 | *431 | *73 | — | *68 | *1,842 | *1,616 | *1,608 | *1,127 | *481 | *234 |
| \$10,000 under \$20,000 | *243 | *3,446 | *2,491 | *489 | *164 | *295 | *5,355 | *4,657 | *4,004 | *2,368 | *1,636 | *1,350 |
| \$20,000 under \$30,000 | 209 | 4,788 | 3,858 | 842 | *569 | *260 | 7,371 | 4,602 | 3,710 | 3,710 | — | 3,661 |
| \$30,000 under \$50,000 | 431 | 17,316 | 14,402 | 4,062 | 1,771 | 2,248 | 17,578 | 13,261 | 6,775 | 5,603 | *1,172 | 10,803 |
| \$50,000 under \$100,000 | 309 | 19,335 | 16,139 | 5,760 | 3,134 | 2,582 | 18,892 | 11,934 | 5,758 | 5,758 | — | 13,135 |
| \$100,000 under \$200,000 | 27 | 3,550 | 2,902 | 1,323 | 858 | 461 | 3,081 | 1,749 | 589 | 589 | — | 2,492 |
| \$200,000 under \$500,000 | 4 | 1,038 | 965 | 482 | 132 | 304 | 1,207 | 589 | 119 | 119 | — | 1,088 |
| \$500,000 or more | — | — | — | — | — | — | — | — | — | — | — | — |
| Taxable returns, total | 1,201 | 45,911 | 37,672 | 12,007 | 5,615 | 6,217 | 46,726 | 31,151 | 18,571 | 16,269 | *2,302 | 28,154 |
| Under \$10,000 | *104 | *736 | *431 | *73 | — | *68 | *769 | *542 | *733 | *252 | *481 | *36 |
| \$10,000 under \$20,000 | *209 | *3,002 | *2,116 | *419 | *97 | *295 | *3,967 | *3,270 | *3,018 | *2,368 | *650 | *949 |
| \$20,000 or more | 888 | 42,173 | 35,125 | 11,514 | 5,518 | 5,855 | 41,991 | 27,339 | 14,821 | 13,649 | *1,172 | 27,170 |
| Nontaxable returns, total | 1,998 | 5,310 | 3,525 | 1,026 | 1,014 | — | 36,567 | 34,120 | 31,725 | 29,394 | *2,331 | 4,842 |
| Under \$10,000 | 1,872 | 1,012 | *9 | *1 | *1 | — | 29,041 | 27,936 | 28,609 | 27,264 | *1,345 | *432 |
| \$10,000 under \$20,000 | *34 | *443 | *376 | *70 | *68 | — | *1,388 | *1,388 | 966 | 966 | — | *401 |
| \$20,000 or more | 92 | 3,854 | 3,140 | 955 | 945 | — | 6,138 | 4,797 | 2,130 | 2,130 | — | 4,009 |

Footnote at end of table.

Exemption of Income Earned Abroad by Individuals, 1975

21

ALL RETURNS

Table 4.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Selected Country in Which Income was Earned and by Size of Adjusted Gross Income—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country and size of adjusted gross income | Number of returns | Income and taxes from all sources | | | | | Income earned abroad for personal services—attributable to current year | | | | | Taxable amount |
|--|-------------------|------------------------------------|----------------|--------------------------------|----------------------------|-----------------------|---|--------------------|-------------------|----------------------------------|--------------------------------|----------------|
| | | Adjusted gross income less deficit | Taxable income | U.S. income tax before credits | Foreign tax credit claimed | Total U.S. income tax | Total | Salaries and wages | Tax-exempt amount | | | |
| | | | | | | | | | Total | By U.S. citizens meeting— | | |
| | | | | | | | | | | Bona fide foreign residence test | 17-month foreign presence test | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | |
| United Kingdom, total | 11,838 | 234,091 | 165,998 | 53,391 | 17,860 | 34,608 | 306,976 | 264,123 | 170,500 | 130,788 | 39,712 | 136,476 |
| No adjusted gross income | 2,199 | — | — | — | — | — | — | — | — | — | — | — |
| \$1 under \$5,000 | 2,242 | 3,333 | 1,157 | 29 | — | 15 | 18,650 | 17,390 | 18,372 | 14,798 | 3,574 | 279 |
| \$5,000 under \$10,000 | 1,220 | 8,452 | 3,365 | 559 | 49 | 423 | 26,969 | 26,226 | 26,190 | 19,678 | 6,512 | 779 |
| \$10,000 under \$20,000 | 2,200 | 34,406 | 22,821 | 4,386 | 1,806 | 2,396 | 21,090 | 19,633 | 16,603 | 12,405 | 4,199 | 4,486 |
| \$20,000 under \$30,000 | 1,775 | 43,706 | 32,438 | 7,255 | 3,490 | 3,577 | 63,430 | 58,191 | 38,836 | 26,415 | 12,420 | 24,594 |
| \$30,000 under \$50,000 | 1,385 | 51,960 | 41,555 | 11,188 | 6,431 | 4,589 | 60,496 | 49,520 | 30,146 | 22,298 | 7,848 | 30,349 |
| \$50,000 under \$100,000 | 744 | 50,511 | 41,269 | 15,125 | 4,507 | 10,433 | 66,113 | 53,000 | 26,310 | 22,533 | 3,777 | 39,803 |
| \$100,000 under \$200,000 | 55 | 7,258 | 5,919 | 2,646 | 849 | 1,720 | 41,573 | 32,912 | 12,562 | 11,223 | 1,339 | 29,012 |
| \$200,000 or more | 18 | 34,582 | 18,474 | 12,203 | 728 | 11,456 | 5,392 | 4,378 | 1,067 | 1,044 | 23 | 4,325 |
| Taxable returns, total | 6,775 | 215,730 | 156,232 | 50,932 | 15,538 | 34,608 | 326,447 | 199,362 | 112,854 | 83,094 | 29,760 | 122,993 |
| Under \$10,000 | 1,179 | 7,435 | 3,192 | 538 | 23 | 439 | 18,499 | 17,341 | 14,712 | 9,620 | 5,092 | 3,787 |
| \$10,000 under \$20,000 | 1,921 | 30,159 | 21,102 | 4,078 | 1,517 | 2,396 | 55,006 | 50,476 | 33,427 | 21,727 | 11,700 | 21,579 |
| \$20,000 or more | 3,675 | 178,135 | 131,939 | 46,316 | 13,999 | 31,773 | 162,342 | 131,545 | 64,714 | 51,747 | 12,967 | 97,627 |
| Nontaxable returns, total | 5,063 | 18,361 | 9,766 | 2,459 | 2,322 | — | 71,129 | 64,762 | 57,646 | 47,694 | 9,952 | 13,483 |
| Under \$10,000 | 4,482 | 4,233 | 331 | 49 | 27 | — | 48,210 | 45,908 | 46,453 | 37,261 | 9,192 | 1,757 |
| \$10,000 under \$20,000 | 279 | 4,247 | 1,719 | 308 | 289 | — | 8,424 | 7,715 | 5,409 | 4,689 | 720 | 3,015 |
| \$20,000 or more | 302 | 9,882 | 7,716 | 2,101 | 2,006 | — | 14,496 | 11,138 | 5,785 | 5,745 | 40 | 8,712 |
| West Germany, total | 10,381 | 106,384 | 77,211 | 21,087 | 12,491 | 7,991 | 179,354 | 149,583 | 120,008 | 77,685 | 42,324 | 59,345 |
| No adjusted gross income | 2,748 | — | — | — | — | — | — | — | — | — | — | — |
| \$1 under \$5,000 | 2,641 | 5,057 | 660 | 98 | 11 | 65 | 30,638 | 29,606 | 30,563 | 22,459 | 8,104 | 774 |
| \$5,000 under \$10,000 | 1,498 | 11,359 | 4,885 | 771 | 44 | 618 | 28,238 | 27,457 | 27,517 | 16,510 | 11,006 | 721 |
| \$10,000 under \$20,000 | 2,019 | 29,730 | 19,772 | 3,722 | 1,005 | 2,460 | 17,327 | 15,232 | 14,559 | 6,896 | 7,663 | 2,768 |
| \$20,000 under \$30,000 | 489 | 11,782 | 9,047 | 1,960 | 386 | 1,530 | 39,734 | 34,527 | 24,689 | 14,835 | 9,854 | 15,045 |
| \$30,000 under \$50,000 | 657 | 24,672 | 21,596 | 6,232 | 4,159 | 1,941 | 9,361 | 6,861 | 4,377 | 1,809 | 2,569 | 4,984 |
| \$50,000 under \$100,000 | 295 | 18,757 | 16,357 | 5,935 | 4,919 | 987 | 29,476 | 19,494 | 12,466 | 9,937 | 2,529 | 17,010 |
| \$100,000 under \$200,000 | 29 | 3,985 | 3,636 | 1,662 | 1,277 | 373 | 20,254 | 13,870 | 5,115 | 4,553 | 562 | 15,139 |
| \$200,000 under \$500,000 | 5 | 1,300 | 1,259 | 707 | 690 | 16 | 3,585 | 2,110 | 624 | 587 | 37 | 2,961 |
| \$500,000 or more | — | — | — | — | — | — | 741 | 426 | 99 | 99 | — | 643 |
| Taxable returns, total | 4,651 | 87,727 | 65,903 | 17,732 | 9,280 | 7,991 | 96,159 | 75,338 | 50,077 | 27,097 | 22,979 | 46,083 |
| Under \$10,000 | 1,702 | 11,401 | 5,113 | 803 | 14 | 683 | 14,875 | 13,258 | 13,093 | 4,645 | 8,448 | 1,782 |
| \$10,000 under \$20,000 | 1,637 | 23,643 | 15,760 | 2,898 | 282 | 2,460 | 27,410 | 25,194 | 17,738 | 8,755 | 9,983 | 9,672 |
| \$20,000 or more | 1,312 | 52,684 | 45,030 | 14,031 | 8,983 | 4,848 | 53,874 | 36,887 | 19,245 | 13,697 | 5,548 | 34,629 |
| Nontaxable returns, total | 5,730 | 18,657 | 11,309 | 3,355 | 3,211 | — | 83,194 | 74,244 | 69,932 | 50,588 | 19,344 | 13,262 |
| Under \$10,000 | 5,185 | 4,757 | 433 | 67 | 41 | — | 61,327 | 59,036 | 58,546 | 41,221 | 18,325 | 1,781 |
| \$10,000 under \$20,000 | 382 | 6,087 | 4,012 | 824 | 723 | — | 12,324 | 9,334 | 6,951 | 6,080 | 871 | 5,373 |
| \$20,000 or more | 163 | 7,812 | 6,864 | 2,465 | 2,447 | — | 9,543 | 5,874 | 3,435 | 3,287 | 148 | 6,108 |
| Africa, total | 10,307 | 87,374 | 62,101 | 16,392 | 9,359 | 6,278 | 198,870 | 167,151 | 139,945 | 109,010 | 30,935 | 58,924 |
| No adjusted gross income | 2,085 | — | — | — | — | — | — | — | — | — | — | — |
| \$1 under \$5,000 | 4,275 | 6,404 | 609 | 90 | 25 | 44 | 20,407 | 18,352 | 20,407 | 17,371 | 3,036 | — |
| \$5,000 under \$10,000 | 1,115 | 8,350 | 3,259 | 528 | 158 | 298 | 52,556 | 48,406 | 50,774 | 38,060 | 12,714 | 1,783 |
| \$10,000 under \$20,000 | 1,216 | 17,104 | 11,354 | 2,146 | 872 | 1,174 | 23,173 | 20,231 | 18,581 | 13,572 | 5,008 | 4,593 |
| \$20,000 under \$30,000 | 779 | 18,209 | 14,364 | 3,292 | 1,983 | 1,170 | 27,654 | 23,703 | 17,476 | 14,141 | 4,334 | 9,178 |
| \$30,000 under \$50,000 | 674 | 26,347 | 22,578 | 6,340 | 3,697 | 2,469 | 30,457 | 24,922 | 16,218 | 11,414 | 4,804 | 14,239 |
| \$50,000 under \$100,000 | 154 | 9,602 | 8,653 | 3,171 | 2,273 | 680 | 31,083 | 23,208 | 11,887 | 10,889 | 998 | 19,196 |
| \$100,000 under \$500,000 | 9 | 1,416 | 1,283 | 824 | 351 | 243 | 12,091 | 7,358 | 3,425 | 3,385 | 40 | 8,665 |
| \$500,000 or more | — | — | — | — | — | — | 1,448 | 970 | 178 | 178 | — | 1,270 |
| Taxable returns, total | 3,652 | 70,597 | 53,848 | 14,286 | 7,312 | 6,278 | 106,028 | 84,815 | 59,960 | 45,790 | 14,170 | 46,068 |
| Under \$10,000 | 1,216 | 7,254 | 3,128 | 503 | 93 | 342 | 21,786 | 18,753 | 18,446 | 12,966 | 5,480 | 3,341 |
| \$10,000 under \$20,000 | 1,038 | 14,888 | 9,824 | 1,867 | 601 | 1,174 | 21,623 | 18,436 | 14,803 | 11,149 | 3,654 | 6,820 |
| \$20,000 or more | 1,398 | 48,455 | 40,896 | 11,916 | 6,618 | 4,762 | 62,619 | 47,625 | 26,711 | 21,674 | 5,037 | 35,907 |
| Nontaxable returns, total | 6,655 | 16,777 | 8,253 | 2,106 | 2,047 | — | 92,842 | 82,336 | 79,985 | 63,221 | 16,764 | 12,857 |
| Under \$10,000 | 6,259 | 7,442 | 741 | 116 | 90 | — | 74,350 | 68,235 | 71,315 | 56,037 | 15,279 | 3,034 |
| \$10,000 under \$20,000 | 178 | 2,216 | 1,530 | 279 | 271 | — | 6,031 | 5,267 | 3,673 | 2,993 | 680 | 2,359 |
| \$20,000 or more | 218 | 7,119 | 5,982 | 1,711 | 1,687 | — | 12,461 | 8,834 | 4,997 | 4,192 | 806 | 7,464 |
| Asia, total | 37,066 | 425,206 | 308,083 | 81,675 | 41,055 | 38,706 | 844,479 | 699,207 | 550,703 | 373,510 | 177,192 | 293,776 |
| No adjusted gross income | 7,173 | — | — | — | — | — | — | — | — | — | — | — |
| \$1 under \$5,000 | 9,997 | 19,015 | 2,032 | 320 | 55 | 187 | 75,564 | 70,126 | 74,917 | 54,320 | 20,598 | 646 |
| \$5,000 under \$10,000 | 5,534 | 39,689 | 16,838 | 2,807 | 757 | 1,680 | 146,015 | 135,455 | 135,751 | 79,785 | 55,967 | 10,264 |
| \$10,000 under \$20,000 | 7,203 | 105,990 | 69,396 | 13,341 | 4,422 | 8,406 | 110,229 | 97,702 | 88,152 | 49,942 | 38,210 | 22,077 |
| \$20,000 under \$30,000 | 3,235 | 78,555 | 60,271 | 13,457 | 6,124 | 6,949 | 181,561 | 156,386 | 117,722 | 78,357 | 39,365 | 63,838 |
| \$30,000 under \$50,000 | 2,858 | 107,951 | 91,631 | 25,624 | 14,310 | 10,930 | 111,613 | 90,488 | 58,435 | 43,166 | 15,268 | 53,178 |
| \$50,000 under \$100,000 | 987 | 62,989 | 55,993 | 20,367 | 12,364 | 7,849 | 132,731 | 92,994 | 53,379 | 47,214 | 6,165 | 79,353 |
| \$100,000 under \$200,000 | 64 | 8,971 | 8,034 | 3,673 | 1,810 | 1,834 | 75,841 | 48,821 | 20,640 | 19,078 | 1,562 | 55,201 |
| \$200,000 under \$500,000 | 15 | 4,209 | 3,888 | 2,086 | 1,213 | 870 | 7,633 | 4,846 | 1,356 | 1,338 | 18 | 6,277 |
| \$500,000 or more | — | — | — | — | — | — | 3,293 | 2,390 | 351 | 311 | 40 | 2,942 |
| Taxable returns, total | 17,911 | 362,027 | 273,750 | 73,075 | 32,802 | 38,706 | 533,698 | 427,341 | 294,929 | 198,522 | 96,407 | 238,768 |
| Under \$10,000 | 5,252 | 33,853 | 15,241 | 2,492 | 346 | 1,867 | 95,593 | 87,271 | 78,613 | 39,736 | 38,877 | 16,981 |
| \$10,000 under \$20,000 | 6,306 | 92,859 | 61,754 | 11,905 | 3,049 | 8,406 | 151,278 | 131,683 | 99,628 | 63,645 | 35,983 | 51,649 |
| \$20,000 or more | 6,353 | 235,315 | 196,754 | 58,679 | 29,407 | 28,433 | 286,827 | 208,387 | 116,688 | 95,141 | 21,547 | 170,138 |
| Nontaxable returns, total | 19,155 | 63,179 | 34,333 | 8,600 | 8,253 | — | 310,781 | 271,866 | 255,774 | 174,988 | 80,785 | 55,008 |
| Under \$10,000 | 17,452 | 22,688 | 3,628 | 635 | 466 | — | 236,215 | 216,011 | 220,208 | 144,311 | 75,898 | 16,006 |
| \$10,000 under \$20,000 | 897 | 13,130 | 7,642 | 1,436 | 1,372 | — | 30,283 | 24,703 | 18,094 | 14,712 | 3,381 | 12,189 |
| \$20,000 or more | 806 | 27,360 | 23,063 | 6,528 | 6,415 | — | 44,284 | 31,152 | 17,472 | 15,965 | 1,506 | 26,812 |

Footnote at end of table.

ALL RETURNS

Table 4.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Selected Country in Which Income was Earned and by Size of Adjusted Gross Income—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country and size of adjusted gross income | Number of returns | Income and taxes from all sources | | | | | Income earned abroad for personal services—attributable to current year | | | | | |
|---|-------------------|------------------------------------|----------------|--------------------------------|----------------------------|-----------------------|---|--------------------|-------------------|----------------------------------|--------------------------------|----------------|
| | | Adjusted gross income less deficit | Taxable income | U.S. income tax before credits | Foreign tax credit claimed | Total U.S. income tax | Total | Salaries and wages | Tax-exempt amount | | | Taxable amount |
| | | | | | | | | | Total | By U.S. citizens meeting— | | |
| | | | | | | | | | | Bona fide foreign residence test | 17-month foreign presence test | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) |
| Iran, total | 6,143 | 76,443 | 52,378 | 12,905 | 5,187 | 7,395 | 164,367 | 138,601 | 107,833 | 51,607 | 56,226 | 56,534 |
| No adjusted gross income | 658 | *—14 | — | — | — | — | 9,878 | 9,049 | 9,730 | 6,483 | *3,246 | *149 |
| \$1 under \$5,000 | 1,638 | 3,679 | 475 | 86 | — | 56 | 33,029 | 30,843 | 29,253 | 10,196 | 19,057 | 3,776 |
| \$5,000 under \$10,000 | 973 | 7,161 | 2,730 | 453 | *66 | 333 | 23,795 | 20,820 | 18,186 | 6,851 | 11,335 | 5,610 |
| \$10,000 under \$20,000 | 1,672 | 25,079 | 16,316 | 3,090 | 724 | 2,242 | 48,357 | 41,546 | 29,607 | 14,648 | 14,959 | 18,750 |
| \$20,000 under \$30,000 | 601 | 13,996 | 9,890 | 2,082 | *213 | 1,809 | 18,252 | 15,901 | 9,662 | 4,460 | 5,202 | 8,590 |
| \$30,000 under \$50,000 | 458 | 17,220 | 14,402 | 4,012 | 1,951 | 2,023 | 19,731 | 13,135 | 8,392 | 6,222 | *2,170 | 11,339 |
| \$50,000 under \$100,000 | 139 | 8,771 | 8,054 | 2,952 | 2,038 | 898 | 10,636 | 6,984 | 2,913 | 2,657 | *256 | 7,723 |
| \$100,000 under \$200,000 | 4 | 553 | 512 | 229 | 194 | 34 | 688 | 323 | 90 | 90 | — | 598 |
| \$200,000 under \$500,000 | — | — | — | — | — | — | — | — | — | — | — | — |
| \$500,000 or more | — | — | — | — | — | — | — | — | — | — | — | — |
| Taxable returns, total | 3,708 | 66,296 | 47,069 | 11,531 | 3,863 | 7,395 | 110,369 | 91,378 | 64,538 | 28,614 | 35,924 | 45,831 |
| Under \$10,000 | 1,115 | 6,906 | 2,881 | 472 | *27 | 389 | 25,625 | 23,426 | 19,954 | *5,621 | 14,333 | 5,671 |
| \$10,000 under \$20,000 | 1,457 | 21,723 | 13,920 | 2,636 | 285 | 2,242 | 39,811 | 34,520 | 24,929 | 10,910 | 14,019 | 14,882 |
| \$20,000 or more | 1,136 | 37,666 | 30,268 | 8,422 | 3,551 | 4,764 | 44,932 | 33,431 | 19,654 | 12,083 | 7,571 | 25,278 |
| Nontaxable returns, total | 2,435 | 10,147 | 5,309 | 1,374 | 1,324 | — | 53,998 | 47,223 | 43,295 | 22,993 | 20,302 | 10,704 |
| Under \$10,000 | 2,154 | 3,919 | *323 | *67 | *39 | — | 41,077 | 37,286 | 37,214 | 17,909 | 19,305 | 3,864 |
| \$10,000 under \$20,000 | *215 | *3,355 | *2,396 | *454 | *439 | — | *8,546 | *7,026 | *4,678 | *3,738 | *940 | *3,868 |
| \$20,000 or more | 66 | 2,872 | 2,590 | 854 | 846 | — | 4,375 | 2,912 | 1,404 | 1,347 | *57 | 2,972 |
| Japan (including Okinawa and Ryukyu Islands), total | 5,100 | 67,283 | 52,594 | 16,571 | 9,028 | 7,260 | 110,624 | 85,529 | 65,458 | 53,254 | 12,204 | 45,167 |
| No adjusted gross income | 1,524 | *—23 | — | — | — | — | 14,758 | 14,009 | 14,758 | 11,890 | *2,868 | — |
| \$1 under \$5,000 | 1,249 | 2,188 | *308 | *45 | *12 | *20 | 13,651 | 13,122 | 13,171 | 9,837 | 3,334 | *480 |
| \$5,000 under \$10,000 | 765 | 5,543 | 2,112 | 345 | *120 | 170 | 11,716 | 10,936 | 9,612 | *5,683 | 3,929 | *2,104 |
| \$10,000 under \$20,000 | 354 | 4,647 | 3,174 | 634 | *253 | 360 | 6,558 | 4,538 | 4,943 | *3,982 | *961 | *1,615 |
| \$20,000 under \$30,000 | 400 | 10,227 | 8,129 | 1,840 | 1,034 | 708 | 15,761 | 12,309 | 7,535 | 7,157 | *378 | 8,226 |
| \$30,000 under \$50,000 | 464 | 17,952 | 15,298 | 4,301 | 1,971 | 2,271 | 20,487 | 14,373 | 8,851 | 8,413 | *437 | 11,636 |
| \$50,000 under \$100,000 | 305 | 20,178 | 17,494 | 6,398 | 3,838 | 2,529 | 22,584 | 13,614 | 5,782 | 5,485 | *296 | 16,802 |
| \$100,000 under \$200,000 | 31 | 4,362 | 3,989 | 1,835 | 1,004 | 827 | 3,526 | 1,736 | 619 | 619 | — | 2,908 |
| \$200,000 under \$500,000 | 8 | 2,209 | 2,089 | 1,173 | 795 | 376 | 1,582 | 891 | 187 | 187 | — | 1,395 |
| \$500,000 or more | — | — | — | — | — | — | — | — | — | — | — | — |
| Taxable returns, total | 2,113 | 60,136 | 48,887 | 15,462 | 7,969 | 7,260 | 72,466 | 51,139 | 32,569 | 28,383 | 4,186 | 39,898 |
| Under \$10,000 | 627 | 4,064 | 1,638 | 259 | *26 | 190 | 7,435 | 7,025 | 6,430 | *4,278 | 2,152 | *1,005 |
| \$10,000 under \$20,000 | 354 | 4,647 | 3,174 | 634 | *253 | 360 | 6,558 | 4,538 | 4,943 | *3,982 | *961 | *1,615 |
| \$20,000 or more | 1,132 | 51,425 | 44,075 | 14,569 | 7,690 | 6,711 | 58,473 | 39,576 | 21,196 | 20,122 | 1,074 | 37,277 |
| Nontaxable returns, total | 2,987 | 7,147 | 3,707 | 1,108 | 1,059 | — | 38,158 | 34,390 | 32,889 | 24,871 | 8,018 | 5,269 |
| Under \$10,000 | 2,911 | 3,644 | 782 | 130 | *107 | — | 32,690 | 31,042 | 31,112 | 23,132 | 7,980 | 1,578 |
| \$10,000 under \$20,000 | 76 | — | — | — | — | — | — | — | — | — | — | — |
| \$20,000 or more | 76 | 3,503 | 2,925 | 978 | 952 | — | 5,468 | 3,347 | 1,777 | 1,739 | *38 | 3,691 |
| Saudi Arabia, total | 4,952 | 68,176 | 49,326 | 12,205 | 6,810 | 5,121 | 138,222 | 123,701 | 89,468 | 64,488 | 24,980 | 48,754 |
| No adjusted gross income | 315 | *—277 | — | — | — | — | 4,116 | 3,910 | 3,932 | *2,233 | 1,699 | *183 |
| \$1 under \$5,000 | 1,041 | 2,621 | *323 | *50 | *36 | *5 | 20,379 | 19,218 | 18,297 | 10,756 | 7,541 | 2,082 |
| \$5,000 under \$10,000 | 1,074 | 7,765 | 3,746 | 610 | *203 | 332 | 24,526 | 22,622 | 19,000 | 11,417 | 7,583 | 5,527 |
| \$10,000 under \$20,000 | 1,474 | 21,887 | 15,033 | 2,895 | 1,574 | 1,246 | 39,532 | 35,227 | 26,361 | 22,120 | *4,241 | 13,170 |
| \$20,000 under \$30,000 | 553 | 13,704 | 10,639 | 2,407 | 1,119 | 1,235 | 20,841 | 18,552 | 10,400 | 8,297 | *2,103 | 10,440 |
| \$30,000 under \$50,000 | 385 | 14,897 | 12,811 | 3,668 | 2,533 | 1,092 | 19,944 | 16,408 | 8,903 | 7,611 | *1,291 | 11,041 |
| \$50,000 under \$100,000 | 101 | 6,081 | 5,438 | 1,921 | 1,136 | 774 | 7,664 | 6,590 | 2,368 | 1,847 | *521 | 5,296 |
| \$100,000 under \$500,000 | 9 | 1,498 | 1,336 | 655 | 210 | 439 | 1,220 | 1,174 | 205 | 205 | — | 1,014 |
| \$500,000 or more | — | — | — | — | — | — | — | — | — | — | — | — |
| Taxable returns, total | 3,056 | 56,040 | 41,845 | 10,522 | 5,182 | 5,121 | 92,248 | 81,908 | 55,685 | 41,518 | 14,167 | 36,563 |
| Under \$10,000 | 935 | 6,601 | 3,247 | 522 | *119 | 337 | 20,886 | 19,276 | 16,667 | 10,006 | 6,661 | 4,219 |
| \$10,000 under \$20,000 | 1,255 | 18,580 | 12,652 | 2,443 | 1,138 | 1,246 | 31,303 | 28,534 | 21,473 | 17,231 | *4,241 | 9,830 |
| \$20,000 or more | 866 | 30,859 | 25,945 | 7,558 | 3,925 | 3,539 | 40,059 | 34,098 | 17,545 | 14,280 | 3,265 | 22,514 |
| Nontaxable returns, total | 1,896 | 12,136 | 7,481 | 1,683 | 1,628 | — | 45,974 | 41,793 | 33,783 | 22,970 | 10,813 | 12,191 |
| Under \$10,000 | 1,495 | 3,508 | 821 | 138 | *119 | — | 28,135 | 26,474 | 24,563 | 14,400 | 10,162 | 3,572 |
| \$10,000 under \$20,000 | *219 | *3,307 | *2,381 | *452 | *436 | — | *8,229 | *6,694 | *4,889 | *4,889 | — | *3,340 |
| \$20,000 or more | 182 | 5,321 | 4,279 | 1,093 | 1,073 | — | 9,610 | 8,626 | 4,332 | 3,681 | *651 | 5,279 |
| Oceania, total | 8,837 | 44,228 | 29,525 | 7,479 | 3,219 | 3,951 | 139,513 | 130,553 | 116,573 | 73,956 | 42,617 | 22,940 |
| No adjusted gross income | 3,574 | *—51 | — | — | — | — | 45,102 | 44,108 | 45,102 | 26,468 | 16,634 | — |
| \$1 under \$5,000 | 3,096 | 4,897 | 705 | 111 | — | 101 | 41,604 | 40,431 | 40,850 | 25,150 | 15,700 | *754 |
| \$5,000 under \$10,000 | 765 | 5,493 | 2,402 | 402 | *55 | 312 | 9,006 | 8,682 | 7,944 | 5,529 | *2,415 | *1,062 |
| \$10,000 under \$20,000 | 812 | 11,771 | 7,624 | 1,438 | 508 | 751 | 22,630 | 20,689 | 14,573 | 9,164 | 5,409 | 8,057 |
| \$20,000 under \$30,000 | *226 | *5,470 | *4,295 | *947 | *202 | *700 | *4,136 | *3,536 | *2,276 | *1,283 | *993 | *1,860 |
| \$30,000 under \$50,000 | 255 | 9,561 | 8,207 | 2,285 | 1,181 | 1,076 | 9,698 | 7,295 | 3,742 | 2,458 | *1,284 | 5,957 |
| \$50,000 under \$100,000 | 101 | 6,027 | 5,331 | 1,879 | 1,050 | 817 | 6,633 | 5,430 | 1,939 | 1,770 | *169 | 4,694 |
| \$100,000 under \$200,000 | 8 | 1,059 | 962 | 418 | 223 | 194 | 702 | 381 | 147 | 134 | 13 | 556 |
| \$200,000 under \$500,000 | — | — | — | — | — | — | — | — | — | — | — | — |
| \$500,000 or more | — | — | — | — | — | — | — | — | — | — | — | — |
| Taxable returns, total | 2,315 | 37,653 | 27,511 | 7,004 | 2,820 | 3,951 | 48,693 | 42,997 | 28,898 | 18,714 | 10,184 | 19,795 |
| Under \$10,000 | 1,005 | 5,848 | 2,759 | 448 | *2 | 413 | 8,211 | 7,934 | 7,867 | 4,890 | 2,977 | *344 |
| \$10,000 under \$20,000 | 743 | 10,634 | 6,800 | 1,280 | 413 | 751 | 20,858 | 19,601 | 13,395 | 8,289 | 5,106 | 7,463 |
| \$20,000 or more | 567 | 21,171 | 17,952 | 5,276 | 2,406 | 2,788 | 19,625 | 15,462 | 7,637 | 5,535 | 2,102 | 11,988 |
| Nontaxable returns, total | 6,522 | 6,574 | 2,015 | 474 | *398 | — | 90,819 | 87,557 | 87,675 | 55,242 | 32,433 | 3,145 |
| Under \$10,000 | 6,430 | 4,491 | *349 | *64 | *54 | — | 87,502 | 85,288 | 86,029 | 54,257 | 31,772 | 1,472 |
| \$10,000 under \$20,000 | *69 | *1,137 | *824 | *157 | *95 | — | *1,772 | *1,088 | *1,178 | *875 | *303 | *594 |
| \$20,000 or more | *23 | *947 | *842 | *253 | *249 | — | *1,545 | *1,181 | *467 | *110 | *357 | *1,078 |

Footnote at end of table.

ALL RETURNS

Table 4.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Selected Country in Which Income was Earned and by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

| Selected country and size of adjusted gross income | Number of returns | Income and taxes from all sources | | | | | Income earned abroad for personal services—attributable to current year | | | | | |
|--|-------------------|------------------------------------|----------------|--------------------------------|----------------------------|-----------------------|---|--------------------|-------------------|----------------------------------|--------------------------------|----------------|
| | | Adjusted gross income less deficit | Taxable income | U.S. income tax before credits | Foreign tax credit claimed | Total U.S. income tax | Total | Salaries and wages | Tax-exempt amount | | | Taxable amount |
| | | | | | | | | | Total | By U.S. citizens meeting— | | |
| | | | | | | | | | | Bona fide foreign residence test | 17-month foreign presence test | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | |
| Australia, total | 5,412 | 27,352 | 18,754 | 5,113 | 2,857 | 2,148 | 87,795 | 81,034 | 70,014 | 39,473 | 30,541 | 17,781 |
| No adjusted gross income | 2,287 | — | — | — | — | — | 28,062 | 27,840 | 28,062 | 14,405 | 13,656 | — |
| \$1 under \$5,000 | 1,920 | 3,021 | 581 | 90 | — | 85 | 22,629 | 22,216 | 22,335 | 10,663 | 11,672 | *294 |
| \$5,000 under \$10,000 | 452 | 3,216 | 1,508 | 256 | *42 | 196 | 4,742 | 4,558 | 4,115 | *3,017 | *1,097 | *627 |
| \$10,000 under \$20,000 | 390 | 5,708 | 3,443 | 631 | *390 | 194 | 14,811 | 12,975 | 9,258 | *6,473 | *2,785 | 5,553 |
| \$20,000 under \$30,000 | *88 | *2,102 | *1,695 | *384 | *159 | *220 | *2,138 | *1,539 | *1,127 | *829 | *297 | *1,012 |
| \$30,000 under \$50,000 | 168 | 6,320 | 5,318 | 1,480 | 1,016 | 444 | 8,221 | 6,238 | 3,083 | 2,231 | *852 | 5,139 |
| \$50,000 under \$100,000 | 99 | 5,924 | 5,247 | 1,853 | 1,027 | 815 | 6,490 | 5,287 | 1,889 | 1,720 | *169 | 4,601 |
| \$100,000 under \$200,000 | 8 | 1,059 | 962 | 418 | 223 | 194 | 702 | 381 | 147 | 134 | 13 | 556 |
| \$200,000 under \$500,000 | — | — | — | — | — | — | — | — | — | — | — | — |
| \$500,000 or more | — | — | — | — | — | — | — | — | — | — | — | — |
| Taxable returns, total | 1,423 | 23,536 | 17,192 | 4,720 | 2,472 | 2,148 | 34,905 | 29,827 | 19,506 | 13,762 | 5,744 | 15,399 |
| Under \$10,000 | 728 | 3,962 | 1,865 | 304 | *2 | 281 | 5,557 | 5,374 | 5,346 | 3,360 | 1,986 | *212 |
| \$10,000 under \$20,000 | 355 | 5,114 | 2,947 | 533 | *295 | 194 | 13,342 | 12,190 | 8,383 | *5,598 | *2,785 | 4,959 |
| \$20,000 or more | 340 | 14,459 | 12,379 | 3,882 | 2,175 | 1,673 | 16,006 | 12,263 | 5,778 | 4,804 | *974 | 10,229 |
| Nontaxable returns, total | 3,989 | 3,817 | *1,562 | 393 | *385 | — | 52,889 | 51,207 | 50,508 | 25,710 | 24,797 | 2,382 |
| Under \$10,000 | 3,931 | 2,275 | *224 | *42 | *41 | — | 49,875 | 49,241 | 49,166 | 24,725 | 24,440 | *709 |
| \$10,000 under \$20,000 | *35 | *594 | *495 | *98 | *95 | — | *1,469 | *785 | *875 | *875 | — | *594 |
| \$20,000 or more | *23 | *947 | *842 | *253 | *249 | — | *1,545 | *1,181 | *467 | *110 | *357 | *1,078 |
| Country not stated, total | 795 | 4,626 | 3,013 | 643 | *18 | 597 | 10,012 | 9,769 | 9,353 | *1,626 | 7,727 | *659 |
| No adjusted gross income | *242 | — | — | — | — | — | *3,323 | *3,112 | *3,323 | *1,099 | *2,225 | — |
| \$1 under \$5,000 | *241 | *313 | *31 | *4 | — | *3 | *3,003 | *3,003 | *3,003 | *527 | *2,475 | — |
| \$5,000 under \$10,000 | *139 | *1,021 | *526 | *90 | — | *80 | *1,643 | *1,630 | *1,287 | — | *1,287 | *356 |
| \$10,000 under \$20,000 | *103 | *1,162 | *766 | *136 | *18 | *110 | *1,590 | *1,573 | *1,287 | — | *1,287 | *303 |
| \$20,000 under \$30,000 | *35 | *822 | *626 | *131 | — | *127 | *259 | *259 | *259 | — | *259 | — |
| \$30,000 under \$50,000 | *35 | *1,308 | *1,065 | *282 | — | *276 | *193 | *193 | *193 | — | *193 | — |
| \$50,000 under \$100,000 | — | — | — | — | — | — | — | — | — | — | — | — |
| \$100,000 under \$200,000 | — | — | — | — | — | — | — | — | — | — | — | — |
| \$200,000 under \$500,000 | — | — | — | — | — | — | — | — | — | — | — | — |
| \$500,000 or more | — | — | — | — | — | — | — | — | — | — | — | — |
| Taxable returns, total | 347 | 4,426 | 3,013 | 643 | *18 | 597 | 4,185 | 4,154 | 3,526 | — | 3,526 | *659 |
| Under \$10,000 | *174 | *1,134 | *556 | *94 | — | *83 | *2,142 | *2,129 | *1,787 | — | *1,787 | *356 |
| \$10,000 under \$20,000 | *103 | *1,162 | *766 | *136 | *18 | *110 | *1,591 | *1,573 | *1,287 | — | *1,287 | *303 |
| \$20,000 or more | *70 | *2,130 | *1,691 | *413 | — | *404 | *452 | *452 | *452 | — | *452 | — |
| Nontaxable returns, total | 448 | *200 | — | — | — | — | 5,827 | 5,615 | 5,827 | *1,626 | 4,201 | — |
| Under \$10,000 | 448 | *200 | — | — | — | — | 5,827 | 5,615 | 5,827 | *1,626 | 4,201 | — |
| \$10,000 under \$20,000 | — | — | — | — | — | — | — | — | — | — | — | — |
| \$20,000 or more | — | — | — | — | — | — | — | — | — | — | — | — |

* Estimate should be used with caution because of the small number of sample returns on which it was based.

NOTE: Detail may not add to total because of rounding.

Exemption of Income Earned Abroad by Individuals, 1975

ALL RETURNS

Table 5.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Selected Country in Which Income was Earned and by Type of Residence Status Abroad

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country and type of residence status abroad | Number of returns | Income and taxes from all sources | | | | | Income earned abroad for personal services—attributable to current year | | | |
|--|-------------------|------------------------------------|----------------|--------------------------------|----------------------------|-----------------------|---|--------------------|-------------------|----------------|
| | | Adjusted gross income less deficit | Taxable income | U.S. income tax before credits | Foreign tax credit claimed | Total U.S. income tax | Total | Salaries and wages | Tax-exempt amount | Taxable amount |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| All geographic areas | 140,195 | 1,588,381 | 1,157,593 | 331,417 | 168,449 | 155,491 | 3,027,045 | 2,541,445 | 1,995,202 | 1,031,841 |
| Bona fide foreign residence | 103,657 | 1,240,449 | 927,896 | 278,698 | 155,447 | 117,835 | 2,395,877 | 1,980,121 | 1,546,725 | 849,150 |
| 17-month foreign presence | 36,538 | 347,932 | 229,696 | 52,719 | 13,002 | 37,656 | 631,168 | 561,324 | 448,477 | 182,691 |
| Canada | 18,722 | 102,098 | 63,982 | 18,039 | 11,671 | 6,008 | 316,239 | 299,271 | 261,349 | 54,890 |
| Bona fide foreign residence | 17,551 | 95,372 | 60,177 | 17,231 | 11,410 | 5,482 | 301,366 | 285,040 | 248,763 | 52,602 |
| 17-month foreign presence | 1,171 | 6,726 | 3,805 | 808 | *262 | 526 | 14,873 | 14,231 | 12,586 | *2,288 |
| Latin America, total | 18,335 | 220,235 | 167,998 | 48,479 | 28,248 | 19,208 | 419,022 | 346,264 | 270,759 | 148,263 |
| Bona fide foreign residence | 15,977 | 197,164 | 152,069 | 45,026 | 26,942 | 17,172 | 374,336 | 309,954 | 240,823 | 133,514 |
| 17-month foreign presence | 2,358 | 23,071 | 15,929 | 3,453 | 1,306 | 2,036 | 44,686 | 36,310 | 29,936 | 14,750 |
| Brazil | 4,325 | 66,913 | 54,225 | 15,836 | 10,995 | 4,594 | 113,754 | 85,086 | 64,989 | 48,765 |
| Bona fide foreign residence | 3,802 | 61,080 | 49,892 | 14,823 | 10,506 | 4,108 | 102,148 | 77,382 | 57,953 | 44,195 |
| 17-month foreign presence | 523 | 5,832 | 4,333 | 1,013 | 489 | 486 | 11,607 | 7,704 | 7,036 | 4,571 |
| Colombia | 1,181 | 9,792 | 6,807 | 2,080 | 746 | 1,293 | 20,041 | 16,032 | 15,071 | 4,970 |
| Bona fide foreign residence | 1,181 | 9,792 | 6,807 | 2,080 | 746 | 1,293 | 20,041 | 16,032 | 15,071 | 4,970 |
| 17-month foreign presence | — | — | — | — | — | — | — | — | — | — |
| Mexico | 3,065 | 41,238 | 31,792 | 9,205 | 5,373 | 3,553 | 81,070 | 71,219 | 50,885 | 30,184 |
| Bona fide foreign residence | 2,853 | 39,105 | 30,339 | 8,929 | 5,311 | 3,353 | 76,260 | 67,178 | 47,862 | 28,398 |
| 17-month foreign presence | *212 | *2,133 | *1,452 | *277 | *61 | *200 | *4,810 | *4,040 | *3,023 | *1,787 |
| Peru | 1,498 | 14,593 | 9,195 | 2,289 | 1,536 | 691 | 28,134 | 23,733 | 18,733 | 9,396 |
| Bona fide foreign residence | 1,170 | 12,369 | 7,857 | 1,998 | 1,327 | 614 | 22,016 | 17,957 | 14,406 | 7,610 |
| 17-month foreign presence | 328 | 2,224 | *1,338 | *292 | *209 | *77 | 6,118 | 5,776 | 4,331 | *1,787 |
| Other Western Hemisphere | 2,507 | 16,556 | 10,578 | 3,077 | 628 | 2,306 | 47,360 | 44,393 | 37,306 | 10,054 |
| Bona fide foreign residence | 1,711 | 13,048 | 9,044 | 2,783 | 622 | 2,035 | 35,593 | 33,422 | 26,843 | 8,750 |
| 17-month foreign presence | 796 | 3,508 | *1,534 | *295 | *6 | *272 | 11,767 | 10,967 | 10,463 | *1,304 |
| Europe, total | 43,626 | 688,058 | 512,314 | 155,633 | 74,252 | 78,436 | 1,051,550 | 844,838 | 609,213 | 442,335 |
| Bona fide foreign residence | 31,184 | 536,267 | 407,243 | 130,419 | 67,848 | 60,623 | 834,898 | 656,588 | 472,193 | 362,704 |
| 17-month foreign presence | 12,442 | 151,791 | 105,071 | 25,214 | 6,404 | 17,813 | 216,651 | 188,250 | 137,020 | 79,631 |
| Belgium | 2,385 | 79,413 | 66,720 | 21,098 | 14,107 | 6,770 | 106,042 | 74,958 | 44,292 | 61,750 |
| Bona fide foreign residence | 1,926 | 70,018 | 58,983 | 19,063 | 12,957 | 5,913 | 91,241 | 62,029 | 37,457 | 53,784 |
| 17-month foreign presence | 459 | 9,396 | 7,737 | 2,034 | 1,150 | 857 | 14,801 | 12,929 | 6,835 | 7,966 |
| France (including Andorra) | 3,800 | 82,941 | 65,047 | 20,768 | 10,272 | 10,194 | 112,943 | 78,267 | 56,586 | 56,357 |
| Bona fide foreign residence | 3,087 | 69,915 | 55,094 | 18,133 | 9,668 | 8,252 | 97,116 | 68,268 | 48,104 | 49,012 |
| 17-month foreign presence | 713 | 13,026 | 9,953 | 2,635 | *604 | 1,942 | 15,827 | 9,999 | 8,482 | 7,346 |
| Italy (including San Marino) | 2,428 | 25,275 | 18,437 | 5,093 | 1,737 | 3,263 | 53,936 | 41,855 | 35,871 | 18,066 |
| Bona fide foreign residence | 2,114 | 22,892 | 17,171 | 4,864 | 1,737 | 3,052 | 48,818 | 37,084 | 32,234 | 16,585 |
| 17-month foreign presence | 314 | *2,383 | *1,266 | *229 | — | *212 | 5,118 | 4,771 | 3,637 | *1,481 |
| Netherlands | 1,387 | 28,865 | 22,222 | 6,456 | 4,354 | 1,964 | 47,094 | 37,050 | 23,936 | 23,158 |
| Bona fide foreign residence | 961 | 19,448 | 15,322 | 4,505 | 3,596 | 845 | 36,376 | 28,910 | 18,844 | 17,531 |
| 17-month foreign presence | 426 | 9,418 | 6,900 | 1,950 | *758 | 1,119 | 10,719 | 8,140 | 5,092 | 5,627 |
| Spain | 2,136 | 16,493 | 10,655 | 2,796 | 1,387 | 1,272 | 42,725 | 35,447 | 29,591 | 13,134 |
| Bona fide foreign residence | 1,421 | 12,828 | 8,666 | 2,324 | 1,233 | 983 | 32,859 | 26,561 | 22,056 | 10,803 |
| 17-month foreign presence | 715 | 3,665 | 1,989 | 472 | *154 | *289 | 9,866 | 8,886 | 7,534 | 2,332 |
| Switzerland | 3,199 | 51,221 | 41,197 | 13,033 | 6,629 | 6,217 | 83,293 | 65,271 | 50,296 | 32,996 |
| Bona fide foreign residence | 2,932 | 47,633 | 38,284 | 12,264 | 6,495 | 5,599 | 76,462 | 59,903 | 45,663 | 30,799 |
| 17-month foreign presence | 267 | 3,588 | *2,913 | *769 | *133 | *618 | 6,830 | 5,368 | 4,633 | *2,197 |
| United Kingdom | 11,838 | 234,091 | 165,998 | 53,391 | 17,860 | 34,608 | 306,976 | 264,123 | 170,500 | 136,476 |
| Bona fide foreign residence | 8,786 | 189,553 | 134,375 | 45,639 | 16,024 | 28,943 | 237,530 | 199,618 | 130,788 | 106,742 |
| 17-month foreign presence | 3,052 | 44,538 | 31,623 | 7,752 | 1,836 | 5,665 | 69,446 | 64,506 | 39,712 | 29,735 |
| West Germany | 10,381 | 106,384 | 77,211 | 21,087 | 12,491 | 7,991 | 179,354 | 149,583 | 120,008 | 59,345 |
| Bona fide foreign residence | 5,698 | 60,250 | 47,072 | 14,353 | 11,185 | 2,979 | 123,000 | 99,410 | 77,685 | 45,315 |
| 17-month foreign presence | 4,683 | 46,134 | 30,139 | 6,733 | 1,306 | 5,012 | 56,354 | 50,173 | 42,324 | 14,030 |
| Africa | 10,307 | 87,374 | 62,101 | 16,392 | 9,359 | 6,278 | 198,870 | 167,151 | 139,945 | 58,924 |
| Bona fide foreign residence | 7,951 | 67,476 | 49,096 | 13,514 | 8,571 | 4,320 | 156,893 | 131,070 | 109,010 | 47,882 |
| 17-month foreign presence | 2,356 | 19,897 | 13,005 | 2,878 | 789 | 1,957 | 41,977 | 36,081 | 30,935 | 11,042 |

Footnote at end of table.

Exemption of Income Earned Abroad by Individuals, 1975

25

ALL RETURNS

Table 5.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Selected Country in Which Income was Earned and by Type of Residence Status Abroad—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country and type of residence status abroad | Number of returns | Income and taxes from all sources | | | | | Income earned abroad for personal services—attributable to current year | | | |
|--|-------------------|------------------------------------|----------------|--------------------------------|----------------------------|-----------------------|---|--------------------|-------------------|----------------|
| | | Adjusted gross income less deficit | Taxable income | U.S. income tax before credits | Foreign tax credit claimed | Total U.S. income tax | Total | Salaries and wages | Tax-exempt amount | Taxable amount |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| Asia, total | 37,066 | 425,206 | 308,083 | 81,675 | 41,055 | 38,706 | 844,479 | 699,207 | 550,703 | 293,776 |
| Bona fide foreign residence | 23,779 | 302,822 | 231,222 | 64,653 | 37,371 | 25,989 | 601,443 | 480,469 | 373,510 | 227,932 |
| 17-month foreign presence | 13,287 | 122,384 | 76,861 | 17,021 | 3,684 | 12,717 | 243,036 | 218,737 | 177,192 | 65,844 |
| Hong Kong | 1,671 | 24,213 | 19,156 | 5,520 | 2,992 | 2,431 | 50,525 | 37,742 | 30,653 | 19,872 |
| Bona fide foreign residence | 1,389 | 22,077 | 17,849 | 5,218 | 2,922 | 2,203 | 45,822 | 33,422 | 26,793 | 19,028 |
| 17-month foreign presence | 282 | *2,137 | *1,306 | *303 | *70 | *229 | 4,703 | 4,321 | 3,860 | *843 |
| Iran | 6,143 | 76,443 | 52,378 | 12,905 | 5,187 | 7,395 | 164,367 | 138,601 | 107,833 | 56,534 |
| Bona fide foreign residence | 2,712 | 39,584 | 29,530 | 7,984 | 4,525 | 3,316 | 83,479 | 67,626 | 51,607 | 31,872 |
| 17-month foreign presence | 3,431 | 36,859 | 22,848 | 4,921 | 662 | 4,079 | 80,889 | 70,975 | 56,226 | 24,663 |
| Japan (including Okinawa and Ryukyu Islands) | 5,100 | 67,283 | 52,594 | 16,571 | 9,028 | 7,260 | 110,624 | 85,529 | 65,458 | 45,167 |
| Bona fide foreign residence | 3,715 | 56,151 | 45,814 | 14,989 | 8,810 | 5,959 | 94,754 | 70,494 | 53,254 | 41,500 |
| 17-month foreign presence | 1,385 | 11,132 | 6,779 | 1,582 | 218 | 1,301 | 15,870 | 15,035 | 12,204 | 3,666 |
| Philippines | 2,133 | 24,094 | 17,698 | 4,458 | 2,080 | 2,279 | 38,809 | 30,282 | 25,313 | 13,496 |
| Bona fide foreign residence | 1,596 | 16,598 | 12,401 | 3,172 | 1,960 | 1,147 | 31,178 | 24,599 | 20,212 | 10,966 |
| 17-month foreign presence | 537 | 7,496 | 5,297 | 1,285 | *120 | 1,132 | 7,631 | 5,683 | 5,102 | *2,530 |
| Saudi Arabia | 4,952 | 68,176 | 49,326 | 12,205 | 6,810 | 5,121 | 138,222 | 123,701 | 89,468 | 48,754 |
| Bona fide foreign residence | 3,266 | 51,618 | 39,124 | 9,907 | 5,949 | 3,752 | 102,944 | 91,716 | 64,488 | 38,456 |
| 17-month foreign presence | 1,686 | 16,558 | 10,202 | 2,298 | 861 | 1,369 | 35,278 | 31,985 | 24,980 | 10,298 |
| Singapore | 2,978 | 40,728 | 29,862 | 7,969 | 4,695 | 3,107 | 78,244 | 61,511 | 49,395 | 28,850 |
| Bona fide foreign residence | 1,746 | 30,805 | 23,782 | 6,738 | 4,156 | 2,435 | 54,919 | 40,553 | 31,800 | 23,119 |
| 17-month foreign presence | 1,232 | 9,923 | 6,080 | 1,230 | *539 | 672 | 23,325 | 20,958 | 17,594 | 5,731 |
| South Korea | 878 | 8,124 | 4,849 | 1,172 | 299 | 821 | 12,279 | 10,011 | 9,710 | 2,568 |
| Bona fide foreign residence | 460 | 4,515 | 2,758 | 709 | *290 | 390 | 7,321 | 5,345 | 5,496 | 1,825 |
| 17-month foreign presence | 418 | 3,609 | *2,091 | *463 | *8 | *431 | 4,958 | 4,666 | 4,215 | *743 |
| South Vietnam | 1,449 | 6,893 | 2,940 | 555 | — | 525 | 15,464 | 14,762 | 13,835 | *1,629 |
| Bona fide foreign residence | 415 | *2,972 | *1,048 | *208 | — | *190 | 6,168 | 5,838 | 5,343 | *825 |
| 17-month foreign presence | 1,034 | 3,921 | 1,892 | 347 | — | 336 | 9,296 | 8,925 | 8,492 | *804 |
| Thailand | 1,491 | 14,072 | 10,024 | 2,525 | 859 | 1,588 | 25,338 | 22,545 | 17,799 | 7,539 |
| Bona fide foreign residence | 726 | 7,337 | 5,700 | 1,565 | 821 | 697 | 14,540 | 12,207 | 9,145 | 5,395 |
| 17-month foreign presence | 765 | 6,736 | 4,323 | 960 | *39 | 891 | 10,798 | 10,338 | 8,654 | 2,144 |
| Oceania, total | 8,837 | 44,228 | 29,525 | 7,479 | 3,219 | 3,951 | 139,513 | 130,553 | 116,573 | 22,940 |
| Bona fide foreign residence | 5,401 | 28,270 | 19,046 | 5,072 | 2,684 | 2,213 | 89,722 | 82,161 | 73,956 | 15,766 |
| 17-month foreign presence | 3,436 | 15,958 | 10,479 | 2,406 | 535 | 1,738 | 49,791 | 48,392 | 42,617 | 7,174 |
| Australia | 5,412 | 27,352 | 18,754 | 5,113 | 2,857 | 2,148 | 87,795 | 81,034 | 70,014 | 17,781 |
| Bona fide foreign residence | 2,865 | 19,179 | 13,692 | 3,913 | 2,473 | 1,357 | 53,027 | 47,234 | 39,473 | 13,555 |
| 17-month foreign presence | 2,547 | 8,173 | 5,062 | 1,200 | *385 | 791 | 34,767 | 33,800 | 30,541 | 4,226 |
| Country not stated | 795 | 4,626 | 3,013 | 643 | 18 | 597 | 10,012 | 9,769 | 9,353 | *659 |
| Bona fide foreign residence | *103 | *30 | — | — | — | — | *1,626 | *1,416 | *1,626 | — |
| 17-month foreign presence | 692 | 4,596 | 3,013 | 643 | 18 | 597 | 8,386 | 8,353 | 7,727 | *659 |

*Data should be used with caution because of the small number of sample returns on which it was based.
NOTE: Detail may not add to total because of rounding.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 6.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Size of Adjusted Gross Income

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Size of adjusted gross income | Number of returns | Income and taxes from all sources | | | | | | | | | Income earned abroad for personal services-attributable to current year | | |
|-------------------------------|-------------------|------------------------------------|------------|--------|----------------|--------------------------------|----------------------------|---------------|-----------------------|--------|---|--------------------|-----------|
| | | Adjusted gross income less deficit | Exemptions | | Taxable income | U.S. income tax before credits | Foreign tax credit claimed | Other credits | Total U.S. income tax | | Total | Salaries and wages | |
| | | | Number | Amount | | | | | Number of returns | Amount | | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) |
| All returns, total | 32,982 | 1,025,009 | 115,964 | 86,923 | 829,682 | 254,936 | 168,256 | 3,656 | 25,204 | 83,024 | 1,444,892 | 32,436 | 1,085,897 |
| No adjusted gross income | — | — | — | — | — | — | — | — | — | — | — | — | — |
| \$1 under \$5,000 | 798 | 2,925 | 1,280 | 947 | 1,715 | 271 | 220 | 21 | 346 | 30 | 17,386 | 763 | 16,406 |
| \$5,000 under \$10,000 | 2,882 | 22,068 | 8,256 | 6,184 | 12,821 | 2,147 | 1,680 | 177 | 1,388 | 290 | 74,976 | 2,775 | 63,701 |
| \$10,000 under \$20,000 | 9,489 | 142,349 | 31,396 | 23,521 | 100,077 | 19,534 | 14,825 | 733 | 6,574 | 3,976 | 308,022 | 9,384 | 255,346 |
| \$20,000 under \$30,000 | 7,072 | 173,857 | 25,181 | 18,886 | 136,986 | 31,184 | 23,488 | 801 | 5,802 | 6,895 | 281,362 | 6,999 | 219,861 |
| \$30,000 under \$50,000 | 8,072 | 309,752 | 30,975 | 23,230 | 260,873 | 73,595 | 53,531 | 1,056 | 6,880 | 19,007 | 407,637 | 7,976 | 291,343 |
| \$50,000 under \$100,000 | 4,233 | 273,345 | 17,154 | 12,864 | 239,360 | 87,949 | 57,871 | 691 | 3,811 | 29,387 | 296,552 | 4,143 | 200,122 |
| \$100,000 under \$200,000 | 363 | 49,140 | 1,438 | 1,079 | 43,563 | 19,770 | 10,826 | 119 | 339 | 8,825 | 41,500 | 337 | 28,196 |
| \$200,000 under \$500,000 | 66 | 18,098 | 260 | 195 | 16,071 | 8,308 | 4,702 | 56 | **64 | 3,549 | 14,175 | 55 | 9,684 |
| \$500,000 or more | 7 | 33,475 | 24 | 18 | 18,215 | 12,178 | 1,113 | 1 | ** | 11,065 | 3,282 | 4 | 1,240 |
| Taxable returns, total | 25,204 | 860,391 | 89,314 | 66,956 | 703,320 | 220,421 | 134,518 | 2,879 | 25,204 | 83,024 | 1,119,628 | 24,945 | 829,879 |
| Under \$10,000 | 1,734 | 12,094 | 4,398 | 3,291 | 7,150 | 1,186 | 776 | 90 | 1,734 | 320 | 39,911 | 1,662 | 34,466 |
| \$10,000 under \$20,000 | 6,574 | 99,706 | 20,978 | 15,712 | 72,050 | 14,157 | 9,689 | 492 | 6,574 | 3,976 | 201,301 | 6,574 | 168,601 |
| \$20,000 or more | 16,896 | 748,592 | 63,938 | 47,953 | 624,120 | 205,078 | 124,053 | 2,297 | 16,896 | 78,728 | 878,416 | 16,709 | 626,812 |
| Nontaxable returns, total | 7,778 | 164,617 | 26,650 | 19,967 | 126,362 | 34,515 | 33,738 | 777 | — | — | 325,265 | 7,491 | 256,018 |
| Under \$10,000 | 1,946 | 12,900 | 5,138 | 3,840 | 7,386 | 1,232 | 1,124 | 108 | — | — | 52,452 | 1,876 | 45,641 |
| \$10,000 under \$20,000 | 2,915 | 42,643 | 10,418 | 7,808 | 28,027 | 5,377 | 5,136 | 241 | — | — | 106,721 | 2,810 | 86,745 |
| \$20,000 or more | 2,917 | 109,074 | 11,094 | 8,318 | 90,949 | 27,906 | 27,478 | 428 | — | — | 166,092 | 2,805 | 123,632 |

| Size of adjusted gross income | Income earned abroad for personal services-attributable to current year—Continued | | | | | | | | | | | |
|-------------------------------|---|---------------------------|--------|-------------------------------|------------------------|-------------------|----------------------------------|---------|--------------------------------|----------------|--------|---------|
| | Pensions and annuities | Business income less loss | | Partner-ship income less loss | Other income less loss | Tax-exempt amount | | | | Taxable amount | | |
| | | Number of returns | Amount | | | Total | By U.S. citizens meeting— | | | | | |
| | | | | | | | Bona fide foreign residence test | | 17-month foreign presence test | | | |
| | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) |
| All returns, total | 490 | 512 | 15,667 | 10,727 | 332,110 | 659,022 | 28,160 | 582,436 | 4,822 | 76,587 | 31,766 | 785,870 |
| No adjusted gross income | — | — | — | — | — | — | — | — | — | — | — | — |
| \$1 under \$5,000 | — | *35 | *91 | — | *890 | 15,405 | 658 | 13,366 | *140 | *2,039 | 590 | 1,981 |
| \$5,000 under \$10,000 | *32 | *142 | *3,028 | *167 | 8,047 | 56,906 | 2,223 | 45,809 | 659 | 11,096 | 2,606 | 18,070 |
| \$10,000 under \$20,000 | *184 | *35 | *1,521 | *1,344 | 49,626 | 191,696 | 7,816 | 164,135 | 1,673 | 27,561 | 9,107 | 116,326 |
| \$20,000 under \$30,000 | — | *115 | *3,059 | *(1) | 58,440 | 140,631 | 5,869 | 121,935 | 1,203 | 18,697 | 6,936 | 140,730 |
| \$30,000 under \$50,000 | *91 | 94 | 1,572 | *1,329 | 113,302 | 160,028 | 7,227 | 147,189 | 845 | 12,839 | 7,934 | 247,610 |
| \$50,000 under \$100,000 | *94 | 76 | 4,307 | 2,931 | 89,099 | 84,678 | 3,940 | 80,481 | 293 | 4,197 | 4,163 | 211,874 |
| \$100,000 under \$200,000 | *88 | *9 | *1,153 | 2,241 | 9,822 | 7,935 | 357 | 7,837 | *6 | *98 | 359 | 33,565 |
| \$200,000 under \$500,000 | *1 | *6 | *934 | 2,104 | 1,477 | 1,570 | 63 | 1,510 | *3 | *60 | **71 | 12,605 |
| \$500,000 or more | — | ** | ** | 610 | 1,408 | 175 | 7 | 175 | — | — | ** | 3,107 |
| Taxable returns, total | 398 | 302 | 8,817 | 7,340 | 273,193 | 490,794 | 21,469 | 433,657 | 3,735 | 57,137 | 24,372 | 628,833 |
| Under \$10,000 | — | *107 | *1,022 | *167 | 4,255 | 31,967 | 1,354 | 25,611 | 380 | 6,355 | 1,424 | 7,944 |
| \$10,000 under \$20,000 | *184 | — | — | — | 32,516 | 127,420 | 5,288 | 106,918 | 1,286 | 20,502 | 6,297 | 73,880 |
| \$20,000 or more | 214 | 195 | 7,795 | 7,173 | 236,421 | 331,407 | 14,827 | 301,127 | 2,069 | 30,280 | 16,651 | 547,009 |
| Nontaxable returns, total | *92 | 210 | 6,850 | 3,387 | 58,917 | 168,228 | 6,691 | 148,779 | 1,087 | 19,449 | 7,394 | 157,036 |
| Under \$10,000 | *32 | *70 | *2,097 | — | 4,681 | 40,344 | 1,527 | 33,564 | 419 | 6,780 | 1,772 | 12,108 |
| \$10,000 under \$20,000 | — | *35 | *1,521 | *1,344 | 17,111 | 64,276 | 2,528 | 57,216 | 387 | 7,060 | 2,810 | 42,445 |
| \$20,000 or more | *60 | 105 | 3,232 | 2,043 | 37,126 | 63,609 | 2,636 | 57,999 | 281 | 5,610 | 2,812 | 102,483 |

*Estimate should be used with caution because of the small number of sample returns on which it is based.

**Identifies (a) size classes for which data were deleted because of the small number of sample returns on which they were based and (b) combined frequencies or amounts that include the data deleted from another size class.

†Less than \$500 per return.

NOTE: Detail may not add to total because of rounding.

Exemption of Income Earned Abroad by Individuals, 1975

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RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 7.—Income, Tax and Foreign Tax Credit, and Income Earned Abroad and Tax-Exempt Amount, by Selected Country in Which Income was Earned

(All figures are estimates based on samples—money amounts are in thousands of dollars)

| Selected country | Number of returns | Income and taxes from all sources | | | | | | | |
|--|-------------------|------------------------------------|------------|--------|----------------|--------------------------------|----------------------------|---------------|-----------------------|
| | | Adjusted gross income less deficit | Exemptions | | Taxable income | U.S. income tax before credits | Foreign tax credit claimed | Other credits | Total U.S. income tax |
| | | | Number | Amount | | | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) |
| All geographic areas | 32,982 | 1,025,009 | 115,964 | 86,923 | 829,682 | 254,936 | 168,256 | 3,656 | 83,024 |
| Canada | 2,816 | 66,650 | 9,395 | 7,046 | 50,112 | 15,225 | 11,635 | 234 | 3,355 |
| Latin America, total | 5,646 | 167,445 | 20,501 | 15,375 | 138,846 | 41,566 | 28,175 | 661 | 12,731 |
| Brazil | 1,802 | 59,449 | 6,822 | 5,116 | 49,899 | 14,771 | 10,995 | 217 | 3,560 |
| Mexico | 1,044 | 30,430 | 3,878 | 2,909 | 25,079 | 7,485 | 5,338 | 110 | 2,037 |
| Peru | 422 | 8,898 | 1,509 | 1,132 | 6,955 | 1,788 | 1,536 | 41 | 211 |
| Other Western Hemisphere | 148 | 4,255 | 545 | 404 | 2,907 | 843 | 627 | 14 | 202 |
| Europe, total | 12,070 | 459,525 | 44,465 | 33,325 | 368,176 | 120,401 | 74,197 | 1,491 | 44,713 |
| Austria | 149 | 5,411 | 519 | 389 | 4,649 | 1,440 | 1,224 | 15 | 201 |
| Belgium | 1,749 | 69,501 | 6,623 | 4,967 | 59,530 | 19,033 | 14,062 | 192 | 4,778 |
| France (including Andorra) | 1,527 | 64,095 | 5,482 | 4,112 | 52,578 | 17,897 | 10,272 | 171 | 7,454 |
| Greece | 77 | 2,435 | 231 | 173 | 2,085 | 658 | 267 | 6 | 386 |
| Italy (including San Marino) | 453 | 13,328 | 1,641 | 1,231 | 11,145 | 3,193 | 1,737 | 45 | 1,412 |
| Netherlands | 682 | 22,963 | 2,694 | 2,020 | 19,284 | 5,857 | 4,354 | 69 | 1,434 |
| Norway | 176 | 4,527 | 670 | 503 | 3,694 | 1,002 | 915 | 19 | 68 |
| Switzerland | 826 | 35,535 | 2,748 | 2,061 | 29,712 | 9,852 | 6,629 | 145 | 3,078 |
| United Kingdom | 3,991 | 160,384 | 15,019 | 11,264 | 117,280 | 40,082 | 17,659 | 501 | 21,722 |
| West Germany | 1,596 | 55,613 | 5,538 | 4,131 | 47,098 | 15,100 | 12,481 | 207 | 2,412 |
| Africa | 2,308 | 57,162 | 7,581 | 5,673 | 46,492 | 12,580 | 9,359 | 319 | 2,902 |
| Asia, total | 8,994 | 244,323 | 30,059 | 22,536 | 202,247 | 58,547 | 41,026 | 835 | 16,686 |
| Indonesia | 1,212 | 28,107 | 3,851 | 2,888 | 23,447 | 6,318 | 5,090 | 103 | 1,125 |
| Japan (including Okinawa and Ryukyu Islands) | 1,324 | 49,829 | 4,341 | 3,248 | 42,554 | 14,328 | 9,028 | 107 | 5,192 |
| Oceania | 966 | 25,289 | 3,350 | 2,513 | 20,654 | 5,732 | 3,219 | 100 | 2,413 |
| Country not stated | *34 | *360 | *68 | *51 | *247 | *42 | *18 | *2 | *23 |

| Selected country | Income earned abroad for personal services—attributable to current year | | | | | | | | |
|--|---|--------------------|------------------------|---------------------------|------------------------------|------------------------|-------------------|---|--------------------------------|
| | Total | Salaries and wages | Pensions and annuities | Business income less loss | Partnership income less loss | Other income less loss | Tax-exempt amount | | |
| | | | | | | | Total | By U.S. citizens meeting— Bona fide foreign residence test | 17-month foreign presence test |
| | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) |
| All geographic areas | 1,444,892 | 1,085,897 | 490 | 15,667 | 10,727 | 332,110 | 659,022 | 582,436 | 76,587 |
| Canada | 103,447 | 94,560 | — | 2,760 | *167 | 5,959 | 56,033 | 54,371 | *1,662 |
| Latin America, total | 247,927 | 192,754 | *259 | *552 | 2,812 | 51,551 | 119,726 | 109,674 | 10,052 |
| Brazil | 82,329 | 57,368 | *248 | *119 | *1,612 | 22,982 | 36,598 | 33,560 | 3,038 |
| Mexico | 49,037 | 41,901 | 3 | *309 | — | 6,824 | 24,370 | 23,670 | *700 |
| Peru | 17,039 | 13,901 | 8 | — | — | 3,129 | 9,023 | 6,843 | *2,179 |
| Other Western Hemisphere | 6,585 | 5,314 | — | — | — | 1,271 | 3,206 | 2,778 | *428 |
| Europe, total | 575,197 | 412,518 | *127 | 8,801 | 6,094 | 147,656 | 236,144 | 208,298 | 27,846 |
| Austria | 7,618 | 4,835 | — | — | — | 2,783 | 2,703 | 2,003 | *700 |
| Belgium | 89,493 | 59,644 | — | *304 | 168 | 29,378 | 34,305 | 29,563 | 4,742 |
| France (including Andorra) | 76,335 | 46,425 | — | *2,543 | 3,159 | 24,208 | 27,573 | 25,531 | *2,042 |
| Greece | 3,781 | 2,397 | — | — | — | 1,385 | 1,733 | 1,609 | *124 |
| Italy (including San Marino) | 21,306 | 15,240 | — | — | *1,267 | 4,799 | 10,328 | 10,328 | — |
| Netherlands | 32,379 | 23,108 | *21 | *1,813 | — | 7,438 | 13,503 | 12,031 | *1,472 |
| Norway | 7,641 | 6,220 | — | — | — | 1,421 | 3,663 | 3,569 | *94 |
| Switzerland | 41,909 | 29,381 | *47 | *1,853 | — | 10,629 | 15,634 | 14,536 | *1,098 |
| United Kingdom | 180,491 | 147,257 | *60 | *406 | *315 | 32,453 | 79,544 | 68,615 | 10,929 |
| West Germany | 74,244 | 50,560 | — | *1,033 | *750 | 21,901 | 30,778 | 26,489 | 4,288 |
| Africa | 90,620 | 67,974 | — | *207 | — | 22,438 | 44,622 | 37,545 | 7,077 |
| Asia, total | 386,692 | 284,465 | *62 | *3,345 | 1,654 | 97,164 | 181,765 | 156,267 | 25,498 |
| Indonesia | 48,752 | 36,850 | *7 | — | — | 11,895 | 23,674 | 18,459 | 5,215 |
| Japan (including Okinawa and Ryukyu Islands) | 65,999 | 44,964 | — | — | *1,448 | 19,587 | 26,087 | 25,031 | 1,057 |
| Oceania | 34,134 | 28,041 | *41 | — | — | 6,052 | 17,313 | 13,504 | 3,809 |
| Country not stated | *291 | *273 | — | — | — | *18 | *214 | — | *214 |

* Estimate should be used with caution because of the small number of sample returns on which it was based.
 Note: Detail may not add to total because of rounding.

RETURNS WITH FOREIGN TAX CREDIT

Table 8.—Sources of Income, Deductions and Tax Items, by Size of Adjusted Gross Income

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Size of adjusted gross income | Number of returns | Adjusted gross income | | | | | | | | | | |
|-----------------------------------|-------------------|-----------------------|--------------------|-----------|------------------------|---------|-------------------|--------|-------------------------|---------|-------------------|--------|
| | | Total | Salaries and wages | | Business or profession | | | | Sales of capital assets | | | |
| | | | Number of returns | Amount | Net profit | | Net loss | | Net gain | | Net loss | |
| | | | | | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | |
| All returns, total | 231,078 | 11,493,753 | 165,065 | 4,857,134 | 30,286 | 781,644 | 11,742 | 93,253 | 67,790 | 816,683 | 69,484 | 57,219 |
| \$1 under \$5,000 | 7,253 | 28,440 | 2,946 | 8,090 | — | — | *45 | *38 | *34 | *31 | *368 | *332 |
| \$5,000 under \$10,000 | 20,516 | 146,180 | 10,146 | 41,351 | 1,190 | 4,676 | *795 | *3,160 | 4,860 | 3,638 | 763 | 268 |
| \$10,000 under \$20,000 | 44,446 | 679,975 | 33,489 | 472,394 | 4,713 | 27,863 | 2,537 | 4,923 | 8,194 | 13,572 | 10,338 | 9,329 |
| \$20,000 under \$30,000 | 38,851 | 956,766 | 32,084 | 595,297 | 4,556 | 53,034 | 2,255 | 5,869 | 9,623 | 26,665 | 10,218 | 7,554 |
| \$30,000 under \$50,000 | 59,969 | 2,334,505 | 43,597 | 1,255,889 | 9,699 | 195,855 | 2,767 | 12,639 | 19,992 | 83,573 | 23,456 | 18,728 |
| \$50,000 under \$100,000 | 39,598 | 2,751,724 | 28,415 | 1,283,354 | 6,760 | 212,489 | 1,744 | 9,659 | 15,084 | 115,503 | 15,957 | 13,574 |
| \$100,000 under \$200,000 | 14,768 | 1,995,398 | 10,355 | 717,700 | 2,496 | 139,069 | 1,071 | 17,201 | 6,748 | 129,090 | 6,351 | 5,575 |
| \$200,000 under \$500,000 | 4,588 | 1,325,723 | 3,253 | 342,736 | 675 | 61,408 | 380 | 22,121 | 2,561 | 155,523 | 1,685 | 1,531 |
| \$500,000 under \$1,000,000 | 765 | 518,792 | 550 | 89,786 | 127 | 27,937 | 103 | 10,057 | 472 | 86,540 | 252 | 239 |
| \$1,000,000 or more | 324 | 756,251 | 230 | 50,539 | 70 | 59,313 | 45 | 7,586 | 222 | 202,547 | 96 | 89 |
| Taxable returns, total | 212,694 | 11,163,167 | 151,619 | 4,581,094 | 29,533 | 768,419 | 10,957 | 85,205 | 66,775 | 811,565 | 67,572 | 55,881 |
| Under \$10,000 | 21,211 | 135,689 | 10,770 | 28,446 | *664 | *2,295 | *546 | *1,343 | 4,860 | 3,659 | *525 | *347 |
| \$10,000 under \$20,000 | 36,849 | 569,372 | 26,257 | 364,399 | 4,638 | 27,010 | 2,167 | 3,700 | 7,794 | 13,165 | 9,875 | 8,955 |
| \$20,000 or more | 154,634 | 10,458,105 | 114,592 | 4,188,249 | 24,231 | 739,114 | 8,244 | 80,163 | 54,121 | 794,741 | 57,172 | 46,579 |
| Nontaxable returns, total | 18,384 | 330,586 | 13,446 | 276,040 | 753 | 13,225 | 785 | 8,048 | 1,015 | 5,117 | 1,912 | 1,338 |
| Under \$10,000 | 6,558 | 38,931 | 2,322 | 20,995 | *526 | *2,381 | *294 | *1,855 | *34 | *10 | 606 | 253 |
| \$10,000 under \$20,000 | 7,597 | 110,602 | 7,232 | 107,995 | *75 | *853 | *370 | *1,224 | *400 | *407 | 463 | 374 |
| \$20,000 or more | 4,229 | 181,054 | 3,892 | 147,050 | 152 | 9,992 | 121 | 4,970 | 581 | 4,700 | 843 | 711 |

| Size of adjusted gross income | Adjusted gross income—Continued | | | | | | | | | | | |
|-----------------------------------|---------------------------------|--------------------------|-----------|-------------------|---------|-------------------|--------|-------------------|---------|-------------------|--------|---------------------------|
| | Before exclusion | Dividends | | Royalty | | | | Estate or trust | | | | Farm net profit less loss |
| | | In adjusted gross income | | Net income | | Net loss | | Total profit | | Total loss | | |
| | | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | |
| (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | |
| All returns, total | 2,778,917 | 173,159 | 2,753,195 | 11,190 | 112,232 | 732 | 7,313 | 30,916 | 277,150 | 2,050 | 8,300 | —21,721 |
| \$1 under \$5,000 | 187 | 540 | 121 | — | — | — | — | *2,084 | *9,358 | — | — | — |
| \$5,000 under \$10,000 | 20,625 | 11,241 | 19,366 | *70 | *37 | — | — | *232 | *2,009 | — | — | *—662 |
| \$10,000 under \$20,000 | 68,895 | 24,323 | 65,608 | *1,972 | *1,232 | *145 | *440 | 3,242 | 15,184 | *392 | *147 | *4,654 |
| \$20,000 under \$30,000 | 153,488 | 29,349 | 149,433 | 722 | 3,661 | — | — | 2,479 | 9,672 | *45 | *27 | *5,859 |
| \$30,000 under \$50,000 | 432,354 | 52,821 | 424,569 | 2,725 | 7,436 | *10 | *26 | 9,847 | 56,060 | *582 | *270 | —6,218 |
| \$50,000 under \$100,000 | 547,616 | 35,386 | 541,695 | 2,813 | 14,625 | 345 | 3,254 | 7,406 | 53,798 | 512 | 1,821 | —1,912 |
| \$100,000 under \$200,000 | 574,972 | 13,974 | 572,574 | 1,788 | 19,584 | 136 | 1,685 | 3,781 | 49,557 | 330 | 2,311 | —10,234 |
| \$200,000 under \$500,000 | 464,362 | 4,470 | 463,594 | 841 | 28,370 | 71 | 869 | 1,466 | 48,650 | 153 | 2,722 | —6,817 |
| \$500,000 under \$1,000,000 | 210,624 | 739 | 210,496 | 181 | 15,252 | 15 | 390 | 256 | 18,770 | 26 | 988 | —4,261 |
| \$1,000,000 or more | 305,793 | 316 | 305,740 | 78 | 22,035 | 10 | 649 | 123 | 14,093 | 10 | 16 | —2,130 |
| Taxable returns, total | 2,755,745 | 169,770 | 2,730,440 | 10,257 | 111,198 | 689 | 6,934 | 28,585 | 265,620 | 2,043 | 8,186 | —23,862 |
| Under \$10,000 | 20,584 | 11,432 | 19,294 | *35 | *22 | — | — | *267 | *2,031 | — | — | — |
| \$10,000 under \$20,000 | 67,313 | 22,911 | 64,149 | *1,193 | *741 | *110 | *429 | 3,132 | 15,170 | *392 | *147 | *—87 |
| \$20,000 or more | 2,667,847 | 135,427 | 2,646,998 | 9,029 | 110,434 | 579 | 6,505 | 25,186 | 248,419 | 1,651 | 8,039 | —23,775 |
| Nontaxable returns, total | 23,172 | 3,389 | 22,754 | 933 | 1,034 | *43 | *379 | 2,331 | 11,530 | *7 | *114 | 2,141 |
| Under \$10,000 | 228 | 349 | 193 | *35 | *14 | — | — | *2,049 | *9,335 | — | — | *—662 |
| \$10,000 under \$20,000 | 1,582 | 1,412 | 1,459 | *779 | *491 | *35 | *11 | *110 | *13 | — | — | *4,741 |
| \$20,000 or more | 21,362 | 1,628 | 21,102 | 119 | 528 | *8 | *367 | 172 | 2,181 | *7 | *114 | —1,938 |

Footnote at end of table.

RETURNS WITH FOREIGN TAX CREDIT

Table 8.—Sources of Income, Deductions and Tax Items, by Size of Adjusted Gross Income—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

| Size of adjusted gross income | Adjusted gross income—Continued | | | | | | | | Total deductions | | Exemptions | |
|-----------------------------------|---|--|-------------------|---|---------------------------|--------------------------|------------------|--|-------------------|-----------|------------|---------|
| | Partnership and Small Business Corporation net profit less loss | Sales of property other than capital assets net gain less loss | Interest received | Pensions and annuities in adjusted gross income | Rent net income less loss | State income tax refunds | Alimony received | All other sources net income less loss | Number of returns | Amount | Number | Amount |
| | (25) | (26) | (27) | (28) | (29) | (30) | (31) | (32) | (33) | (34) | (35) | (36) |
| All returns, total | 694,801 | 6,846 | 1,202,874 | 188,664 | 66,328 | 30,072 | 9,915 | 101,143 | 228,240 | 2,503,097 | 729,484 | 547,039 |
| \$1 under \$5,000 | — | — | 4,982 | *6,430 | — | — | — | *31 | 6,976 | 9,483 | 11,833 | 8,862 |
| \$5,000 under \$10,000 | *—87 | — | 59,753 | *3,582 | 9,081 | *224 | — | *9,889 | 19,925 | 37,260 | 48,667 | 36,492 |
| \$10,000 under \$20,000 | 4,301 | *38 | 94,822 | 18,011 | 3,290 | 850 | — | 4,295 | 43,330 | 146,462 | 132,468 | 99,325 |
| \$20,000 under \$30,000 | 13,939 | *—473 | 121,058 | 23,689 | —14,042 | 1,783 | — | 5,119 | 38,437 | 185,883 | 113,330 | 84,998 |
| \$30,000 under \$50,000 | 74,709 | —4,351 | 248,154 | 55,072 | 3,816 | 8,246 | *8,452 | 22,363 | 59,677 | 383,026 | 204,864 | 153,624 |
| \$50,000 under \$100,000 | 231,999 | —557 | 278,722 | 50,197 | 25,007 | 6,692 | *731 | 21,575 | 39,456 | 533,683 | 144,951 | 108,712 |
| \$100,000 under \$200,000 | 179,027 | 2,513 | 183,712 | 20,045 | 27,059 | 5,531 | *620 | 9,976 | 14,765 | 458,251 | 53,533 | 40,150 |
| \$200,000 under \$500,000 | 128,985 | 1,516 | 105,600 | 9,431 | 9,037 | 3,765 | *89 | 9,266 | 4,585 | 353,490 | 16,040 | 12,029 |
| \$500,000 under \$1,000,000 | 26,292 | 1,673 | 47,190 | 1,628 | 2,487 | 1,671 | *24 | 6,767 | 765 | 153,559 | 2,681 | 2,011 |
| \$1,000,000 or more | 35,637 | 6,488 | 58,882 | 579 | 593 | 1,309 | — | 11,862 | 324 | 242,000 | 1,117 | 838 |
| Taxable returns, total | 704,874 | 5,467 | 1,174,138 | 187,795 | 71,115 | 29,716 | 9,915 | 96,554 | 210,949 | 2,436,694 | 674,505 | 505,826 |
| Under \$10,000 | *—87 | — | 53,747 | *10,012 | *9,675 | *215 | — | *8,806 | 20,795 | 37,347 | 46,637 | 34,970 |
| \$10,000 under \$20,000 | 5,237 | *70 | 91,739 | 18,011 | 4,150 | 818 | — | 4,194 | 36,156 | 126,548 | 105,520 | 73,119 |
| \$20,000 or more | 699,724 | 5,397 | 1,028,652 | 159,772 | 57,289 | 28,683 | 9,915 | 83,554 | 153,998 | 2,272,800 | 522,348 | 391,737 |
| Nontaxable returns, total | —10,072 | 1,379 | 28,736 | 869 | —4,787 | 356 | — | 4,589 | 17,291 | 66,403 | 54,979 | 41,213 |
| Under \$10,000 | — | — | 10,988 | — | —594 | *9 | — | *1,115 | 6,106 | 9,396 | 13,863 | 10,384 |
| \$10,000 under \$20,000 | *—936 | *—32 | 3,083 | — | —861 | *32 | — | *101 | 7,174 | 19,915 | 26,948 | 20,206 |
| \$20,000 or more | —9,136 | 1,411 | 14,666 | 869 | —3,333 | 315 | — | 3,374 | 4,011 | 37,092 | 14,168 | 10,623 |

| Size of adjusted gross income | Taxable income | U.S. income tax before credits | U.S. income tax against which foreign tax credit was allowed | Foreign tax credit claimed | Other credits | U.S. income tax after credits | | Additional tax for tax preferences | | Total U.S. income tax | |
|-----------------------------------|----------------|--------------------------------|--|----------------------------|---------------|-------------------------------|-----------|------------------------------------|--------|-----------------------|-----------|
| | | | | | | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (37) | (38) | (39) | (40) | (41) | (42) | (43) | (44) | (45) | (46) | (47) |
| All returns, total | 8,443,613 | 3,245,351 | 3,230,240 | 345,928 | 55,507 | 212,518 | 2,843,916 | 1,091 | 19,395 | 212,694 | 2,863,311 |
| \$1 under \$5,000 | 10,095 | 1,534 | 1,260 | 1,031 | 276 | 4,717 | 228 | — | — | 4,717 | 228 |
| \$5,000 under \$10,000 | 72,428 | 12,108 | 11,446 | 4,439 | 1,015 | 16,494 | 6,653 | — | — | 16,494 | 6,653 |
| \$10,000 under \$20,000 | 434,186 | 84,566 | 81,800 | 36,997 | 3,853 | 36,849 | 43,716 | — | — | 36,849 | 43,716 |
| \$20,000 under \$30,000 | 685,884 | 154,754 | 152,382 | 42,649 | 4,870 | 36,856 | 107,235 | *65 | *367 | 36,920 | 107,601 |
| \$30,000 under \$50,000 | 1,797,854 | 492,788 | 488,657 | 91,885 | 10,524 | 58,535 | 390,378 | 78 | 320 | 58,586 | 390,698 |
| \$50,000 under \$100,000 | 2,109,328 | 756,937 | 754,122 | 87,241 | 12,436 | 38,808 | 657,260 | 156 | 688 | 38,814 | 657,949 |
| \$100,000 under \$200,000 | 1,496,998 | 672,194 | 670,915 | 31,594 | 8,952 | 14,635 | 631,647 | 317 | 2,514 | 14,674 | 634,161 |
| \$200,000 under \$500,000 | 960,203 | 512,157 | 511,421 | 18,446 | 6,503 | 4,547 | 487,208 | 296 | 4,777 | 4,559 | 491,985 |
| \$500,000 under \$1,000,000 | 363,223 | 219,025 | 218,972 | 10,795 | 3,260 | 760 | 204,970 | 104 | 2,860 | 761 | 207,830 |
| \$1,000,000 or more | 513,413 | 339,288 | 339,266 | 20,850 | 3,817 | 317 | 314,621 | 75 | 7,869 | 320 | 322,490 |
| Taxable returns, total | 8,220,643 | 3,186,476 | 3,172,312 | 290,154 | 52,406 | 212,518 | 2,843,916 | 1,091 | 19,395 | 212,694 | 2,863,311 |
| Under \$10,000 | 63,372 | 10,593 | 9,878 | 2,780 | 932 | 21,211 | 6,881 | — | — | 21,211 | 6,881 |
| \$10,000 under \$20,000 | 363,705 | 71,071 | 68,930 | 24,241 | 3,113 | 36,849 | 43,716 | — | — | 36,849 | 43,716 |
| \$20,000 or more | 7,793,566 | 3,104,813 | 3,093,504 | 263,133 | 48,361 | 154,458 | 2,793,319 | 1,091 | 19,395 | 154,634 | 2,812,714 |
| Nontaxable returns, total | 222,970 | 58,875 | 57,928 | 55,774 | 3,100 | — | — | — | — | — | — |
| Under \$10,000 | 19,151 | 3,049 | 2,828 | 2,690 | 359 | — | — | — | — | — | — |
| \$10,000 under \$20,000 | 70,481 | 13,496 | 12,870 | 12,756 | 740 | — | — | — | — | — | — |
| \$20,000 or more | 133,338 | 42,330 | 42,230 | 40,329 | 2,002 | — | — | — | — | — | — |

* Estimate should be used with caution because of the small number of sample returns on which it was based.
 NOTE: Detail may not add to total because of rounding.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED
Table 9.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Size of Adjusted Gross Income and by Credit-Limitation Method

(All figures are estimates based on samples—money amounts are in thousands of dollars)

| Size of adjusted gross income and credit-limitation method | Number of returns | Income and taxes from all sources | | | | | | | | | | | | | | | Exemptions | |
|--|-------------------|-----------------------------------|--------------------|------------------------|----------|-------------------------|----------|------------------|--------------------------|------------|----------|-----------------|------------|--|------------------|---------|------------|--|
| | | Adjusted gross income | | | | | | | | | | | | | | | | |
| | | Total | Salaries and wages | Business or profession | | Sales of capital assets | | Dividends | | Royalty | | Estate or trust | | All other sources net income less loss | Total deductions | Number | Amount | |
| | | | | Net profit | Net loss | Net gain | Net loss | Before exclusion | In adjusted gross income | Net income | Net loss | Total profit | Total loss | | | | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) | | |
| All returns, total | 210,725 | 10,701,592 | 4,435,314 | 726,338 | 87,257 | 769,923 | 50,862 | 2,634,114 | 2,610,763 | 108,189 | 6,169 | 256,307 | 8,188 | 2,138,423 | 2,318,596 | 663,733 | 497,749 | |
| Returns with per-country limitation | 111,565 | 4,956,639 | 2,055,375 | 369,263 | 41,214 | 357,617 | 23,757 | 1,185,536 | 1,174,448 | 64,212 | 2,077 | 103,555 | 3,876 | 979,952 | 1,067,743 | 335,678 | 251,739 | |
| Returns with overall limitation | 99,160 | 5,744,954 | 2,379,938 | 357,075 | 46,042 | 412,306 | 27,104 | 1,448,579 | 1,436,316 | 43,978 | 4,091 | 152,752 | 4,311 | 1,158,471 | 1,250,853 | 328,055 | 246,010 | |
| \$1 under \$5,000 | 5,169 | 21,118 | 3,327 | — | *38 | *31 | *332 | 173 | *107 | — | — | *9,358 | — | 8,898 | 7,515 | 7,700 | 5,762 | |
| Returns with per-country limitation | 4,560 | 18,630 | *1,112 | — | *38 | — | *69 | *74 | *50 | — | — | *9,358 | — | *8,217 | 6,809 | 6,781 | 5,073 | |
| Returns with overall limitation | 609 | 2,488 | 2,214 | — | — | *31 | *262 | *98 | *57 | — | — | — | — | 682 | 706 | 919 | 689 | |
| \$5,000 under \$10,000 | 18,942 | 133,476 | 36,861 | *1,042 | *2,047 | 1,701 | *175 | 19,091 | 17,905 | *37 | — | *2 | — | 81,353 | 32,759 | 45,208 | 33,898 | |
| Returns with per-country limitation | 13,533 | 94,911 | 21,379 | *616 | *1,855 | *1,074 | *111 | 13,948 | 13,291 | *37 | — | — | — | 60,862 | 22,151 | 31,767 | 23,825 | |
| Returns with overall limitation | 5,409 | 38,565 | 15,482 | *426 | *192 | *628 | *64 | 5,143 | 4,614 | — | — | *2 | — | 20,491 | 10,608 | 13,441 | 10,073 | |
| \$10,000 under \$20,000 | 40,976 | 621,766 | 420,503 | 25,494 | 4,808 | 13,261 | 8,010 | 63,175 | 60,366 | *1,232 | *440 | 15,184 | *147 | 123,743 | 131,350 | 120,760 | 90,544 | |
| Returns with per-country limitation | 23,956 | 361,342 | 243,118 | 13,380 | *2,160 | 9,022 | 4,682 | 27,901 | 26,396 | *743 | *111 | *3,350 | *114 | 90,653 | 74,035 | 68,409 | 51,302 | |
| Returns with overall limitation | 17,020 | 260,424 | 177,385 | *12,114 | *2,649 | 4,238 | 3,328 | 35,274 | 33,969 | *489 | *429 | *11,834 | *33 | 33,090 | 57,316 | 52,351 | 39,242 | |
| \$20,000 under \$30,000 | 35,178 | 868,990 | 532,188 | 50,550 | 3,437 | 21,820 | 6,689 | 139,620 | 136,123 | *1,865 | — | *9,667 | *27 | 144,323 | 166,810 | 101,923 | 76,442 | |
| Returns with per-country limitation | 20,512 | 502,708 | 331,994 | 30,324 | *1,640 | 12,134 | 3,907 | 56,334 | 54,396 | *1,466 | — | *990 | — | 84,513 | 98,761 | 56,757 | 42,568 | |
| Returns with overall limitation | 14,666 | 366,282 | 200,194 | 20,226 | 1,798 | 9,686 | 2,782 | 83,286 | 81,726 | *399 | — | *8,677 | *27 | 59,809 | 68,049 | 45,166 | 33,875 | |
| \$30,000 under \$50,000 | 54,365 | 2,120,326 | 1,098,676 | 174,444 | 11,174 | 82,673 | 16,156 | 419,612 | 412,500 | 7,354 | — | 43,444 | *270 | 390,107 | 338,949 | 183,438 | 137,577 | |
| Returns with per-country limitation | 24,357 | 940,599 | 456,336 | 83,859 | 1,746 | 41,108 | 6,584 | 211,032 | 207,905 | *3,536 | — | 6,343 | *93 | 167,188 | 152,578 | 83,470 | 62,603 | |
| Returns with overall limitation | 30,008 | 1,179,727 | 642,340 | 90,584 | 9,428 | 41,564 | 9,572 | 208,580 | 204,596 | 3,819 | — | 37,101 | *176 | 222,919 | 186,371 | 99,968 | 74,975 | |
| \$50,000 under \$100,000 | 36,622 | 2,547,938 | 1,195,251 | 200,243 | 9,628 | 105,869 | 12,436 | 499,566 | 494,066 | 13,932 | 2,513 | 51,559 | 1,821 | 562,952 | 489,089 | 134,663 | 100,996 | |
| Returns with per-country limitation | 16,360 | 1,146,372 | 504,039 | 111,143 | 3,924 | 55,772 | 5,508 | 215,179 | 212,707 | 7,325 | *738 | 28,970 | *106 | 255,681 | 218,487 | 58,760 | 44,069 | |
| Returns with overall limitation | 20,262 | 1,401,566 | 691,211 | 89,101 | 5,704 | 50,096 | 6,928 | 284,387 | 281,359 | 6,607 | *1,775 | 22,589 | 1,715 | 307,270 | 270,602 | 75,903 | 56,926 | |
| \$100,000 under \$200,000 | 14,030 | 1,897,695 | 684,018 | 130,092 | 16,990 | 123,537 | 5,262 | 547,535 | 545,264 | 18,779 | 1,676 | 47,924 | 2,247 | 396,683 | 436,096 | 50,972 | 38,229 | |
| Returns with per-country limitation | 6,065 | 814,560 | 308,034 | 61,023 | 8,193 | 51,960 | 2,189 | 220,853 | 219,860 | 11,201 | 830 | 21,063 | 1,588 | 163,661 | 177,897 | 22,159 | 16,619 | |
| Returns with overall limitation | 7,965 | 1,083,135 | 375,984 | 69,069 | 8,798 | 71,577 | 3,073 | 326,681 | 325,403 | 7,578 | 846 | 26,861 | 658 | 233,022 | 258,199 | 28,813 | 21,610 | |
| \$200,000 under \$500,000 | 4,397 | 1,270,192 | 331,090 | 59,200 | 22,018 | 150,795 | 1,482 | 445,387 | 444,650 | 28,315 | 856 | 46,428 | 2,677 | 244,694 | 337,242 | 15,430 | 11,572 | |
| Returns with per-country limitation | 1,794 | 515,760 | 131,991 | 26,835 | 13,517 | 64,420 | 587 | 193,550 | 193,249 | 19,340 | 208 | 18,846 | 1,810 | 79,964 | 135,579 | 6,107 | 4,579 | |
| Returns with overall limitation | 2,603 | 754,432 | 199,099 | 32,366 | 8,502 | 86,375 | 894 | 251,837 | 251,402 | 8,975 | 649 | 27,582 | 867 | 164,730 | 201,663 | 9,323 | 6,992 | |
| \$500,000 under \$1,000,000 | 734 | 496,781 | 86,577 | 27,082 | 9,878 | 83,033 | 234 | 199,070 | 198,948 | 14,642 | 390 | 18,652 | 985 | 81,025 | 146,442 | 2,569 | 1,927 | |
| Returns with per-country limitation | 293 | 200,968 | 33,466 | 10,841 | 5,786 | 29,093 | 83 | 87,470 | 87,420 | 8,510 | 271 | 10,371 | 155 | 28,187 | 56,532 | 1,018 | 764 | |
| Returns with overall limitation | 441 | 295,813 | 53,112 | 16,241 | 4,092 | 53,940 | 152 | 111,600 | 111,527 | 6,132 | 119 | 8,281 | 830 | 52,838 | 89,910 | 1,551 | 1,163 | |
| \$1,000,000 or more | 312 | 723,311 | 46,823 | 58,191 | 7,238 | 187,204 | 86 | 300,886 | 300,836 | 22,033 | 294 | 14,090 | 16 | 104,646 | 232,343 | 1,070 | 803 | |
| Returns with per-country limitation | 135 | 360,789 | 23,906 | 31,242 | 2,357 | 93,033 | 37 | 159,194 | 159,173 | 12,055 | 20 | 4,266 | 10 | 41,027 | 124,915 | 450 | 338 | |
| Returns with overall limitation | 177 | 362,522 | 22,916 | 26,949 | 4,881 | 94,171 | 49 | 141,692 | 141,663 | 9,978 | 274 | 9,825 | 6 | 63,619 | 107,428 | 620 | 465 | |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 9.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Size of Adjusted Gross Income and by Credit-Limitation Method—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| All figures are estimates based on samples—money amounts are in thousands of dollars | | | | | | | | | | | | | | | | | |
|--|-------------------|-----------------------------------|--------------------|------------------------|----------|-------------------------|----------|------------------|--------------------------|------------|----------|-----------------|------------|--|------------------|------------|---------|
| Size of adjusted gross income and credit-limitation method | Number of returns | Income and taxes from all sources | | | | | | | | | | | | | | Exemptions | |
| | | Adjusted gross income | | | | | | | | | | | | | | | |
| | | Total | Salaries and wages | Business or profession | | Sales of capital assets | | Dividends | | Royalty | | Estate or trust | | All other sources net income less loss | Total deductions | Number | Amount |
| | | | | Net profit | Net loss | Net gain | Net loss | Before exclusion | In adjusted gross income | Net income | Net loss | Total profit | Total loss | | | | |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) |
| Taxable returns, total | 192,659 | 10,377,303 | 4,163,615 | 714,553 | 79,219 | 764,867 | 49,529 | 2,612,448 | 2,589,512 | 107,156 | 6,146 | 244,778 | 8,073 | 2,114,585 | 2,254,706 | 609,673 | 457,224 |
| Returns with per-country limitation | 100,020 | 4,780,172 | 1,912,599 | 362,559 | 37,949 | 355,686 | 23,142 | 1,180,860 | 1,169,953 | 64,187 | 2,054 | 94,069 | 3,844 | 958,775 | 1,035,409 | 302,617 | 228,962 |
| Returns with overall limitation | 92,639 | 5,597,131 | 2,251,016 | 351,994 | 41,270 | 409,181 | 26,387 | 1,431,588 | 1,419,559 | 42,969 | 4,091 | 150,709 | 4,229 | 1,155,810 | 1,219,297 | 307,056 | 230,263 |
| Under \$10,000 | 17,845 | 117,440 | 19,811 | *101 | *229 | 1,723 | *253 | 19,049 | 17,833 | *22 | — | *24 | — | 79,145 | 31,430 | 39,851 | 29,880 |
| Returns with per-country limitation | 13,082 | 84,506 | 11,729 | *94 | *38 | *1,064 | *18 | 13,911 | 13,251 | *22 | — | *23 | — | 58,500 | 21,667 | 28,538 | 21,404 |
| Returns with overall limitation | 4,763 | 32,935 | 8,082 | *7 | *192 | *659 | *236 | 5,138 | 4,582 | — | — | *2 | — | 20,645 | 9,762 | 11,313 | 8,477 |
| \$10,000 under \$20,000 | 33,379 | 511,164 | 312,509 | 24,642 | 3,584 | 12,854 | 7,636 | 61,593 | 58,906 | *741 | *429 | 15,170 | *147 | 117,615 | 111,436 | 93,812 | 70,338 |
| Returns with per-country limitation | 19,653 | 298,053 | 182,852 | 12,527 | *936 | 8,632 | 4,467 | 26,794 | 25,352 | *737 | — | *3,337 | *114 | 84,653 | 63,033 | 51,887 | 38,915 |
| Returns with overall limitation | 13,726 | 213,111 | 129,657 | *12,114 | *2,649 | 4,222 | 3,169 | 34,799 | 33,554 | *4 | *429 | *11,834 | *33 | 32,963 | 48,403 | 41,925 | 31,423 |
| \$20,000 or more | 141,435 | 9,748,698 | 3,831,295 | 689,810 | 75,405 | 750,291 | 41,640 | 2,531,806 | 2,512,773 | 106,392 | 5,717 | 229,583 | 7,927 | 1,917,825 | 2,111,840 | 476,010 | 357,006 |
| Returns with per-country limitation | 67,285 | 4,397,613 | 1,718,018 | 349,937 | 36,976 | 345,991 | 18,658 | 1,140,155 | 1,131,350 | 63,427 | 2,054 | 90,709 | 3,730 | 815,622 | 950,709 | 222,192 | 166,643 |
| Returns with overall limitation | 74,150 | 5,351,085 | 2,113,277 | 339,873 | 38,429 | 404,300 | 22,982 | 1,391,650 | 1,381,423 | 42,965 | 3,663 | 138,874 | 4,197 | 1,102,203 | 1,161,132 | 253,818 | 190,363 |
| Nontaxable returns, total | 18,066 | 324,290 | 271,699 | 11,786 | 8,038 | 5,056 | 1,333 | 21,667 | 21,252 | 1,034 | *23 | 11,530 | *114 | 23,838 | 63,890 | 54,080 | 40,524 |
| Returns with per-country limitation | 11,545 | 176,467 | 142,777 | 6,704 | 3,265 | 1,931 | 615 | 4,675 | 4,495 | *25 | *23 | 9,487 | *32 | 21,177 | 32,334 | 33,061 | 24,777 |
| Returns with overall limitation | 6,521 | 147,823 | 128,922 | 5,081 | 4,773 | 3,125 | 718 | 16,991 | 16,757 | 1,009 | — | 2,043 | *82 | 2,662 | 31,556 | 20,999 | 15,747 |
| Under \$10,000 | 6,266 | 37,154 | 20,377 | *941 | *1,855 | *10 | 253 | 214 | *179 | *14 | — | *9,335 | — | 11,107 | 8,844 | 13,057 | 9,780 |
| Returns with per-country limitation | 5,011 | 29,035 | 10,762 | *522 | *1,855 | *10 | *162 | *110 | *91 | *14 | — | *9,335 | — | 10,578 | 7,292 | 10,010 | 7,494 |
| Returns with overall limitation | 1,255 | 8,119 | 9,615 | *419 | — | — | *91 | *103 | *88 | — | — | — | — | 529 | 1,552 | 3,047 | 2,285 |
| \$10,000 under \$20,000 | 7,597 | 110,602 | 107,995 | *853 | *1,224 | *407 | 374 | 1,582 | 1,459 | *491 | *11 | *13 | — | 6,127 | 19,915 | 26,948 | 20,206 |
| Returns with per-country limitation | 4,303 | 63,290 | 60,267 | *853 | *1,224 | *391 | *215 | 1,107 | *1,044 | *6 | *11 | *13 | — | 6,000 | 11,002 | 16,522 | 12,386 |
| Returns with overall limitation | 3,294 | 47,313 | 47,728 | — | — | *17 | *159 | 475 | 415 | *485 | — | — | — | 127 | 8,913 | 10,426 | 7,820 |
| \$20,000 or more | 4,203 | 176,534 | 143,328 | 9,992 | 4,959 | 4,638 | 706 | 19,871 | 19,613 | 528 | *12 | 2,181 | *114 | 6,604 | 35,132 | 14,055 | 10,539 |
| Returns with per-country limitation | 2,231 | 84,142 | 71,748 | 5,330 | *186 | 1,530 | 238 | 3,458 | 3,360 | *5 | *12 | 138 | *32 | 4,598 | 14,040 | 6,529 | 4,896 |
| Returns with overall limitation | 1,972 | 92,392 | 71,580 | 4,662 | 4,773 | 3,109 | 468 | 16,413 | 16,253 | 523 | — | 2,043 | *82 | 2,006 | 21,092 | 7,526 | 5,643 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED
Table 9.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Size of Adjusted Gross Income and by Credit-Limitation Method—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Size of adjusted gross income and credit-limitation method | Income and taxes from all sources--Continued | | | | | | | | Foreign income and taxes | | | | | | |
|---|--|--|---|-------------------------------------|------------------|---|---|--------------------------------|--------------------------|-----------|---|-----------|----------------------|---------------------|----------------------|
| | Taxable income | U.S. income tax before credits | U.S. income tax against which foreign tax credit was allowed | Foreign tax credit claimed | Other credits | U.S. income tax after credits | Additional tax for tax pre- ferences | Total U.S. income tax | Gross income | | | | | | |
| | | | | | | | | | Total | | Other than DISC dividends, certain interest and foreign oil-related income | Dividends | | Rents and royalties | |
| | | | | | | | | | Number of returns | Amount | | Total | Number of returns | Amount | Number of returns |
| | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | (30) | (31) | (32) |
| All returns, total | 7,885,244 | 3,052,630 | 3,039,241 | 328,927 | 51,859 | 2,671,845 | 18,606 | 2,690,451 | 210,725 | 1,855,461 | 1,822,863 | 102,785 | 231,950 | 6,894 | 34,095 |
| Returns with per country limitation | 3,637,156 | 1,374,491 | 1,368,028 | 120,285 | 25,442 | 1,228,763 | 8,714 | 1,237,478 | 111,565 | 751,177 | 731,477 | 50,409 | 81,628 | 2,742 | 18,171 |
| Returns with overall limitation | 4,248,088 | 1,678,139 | 1,671,213 | 208,641 | 26,416 | 1,443,081 | 9,891 | 1,452,973 | 99,160 | 1,104,284 | 1,091,386 | 52,376 | 150,322 | 4,152 | 15,923 |
| \$1 under \$5,000 | 7,841 | 1,218 | 1,068 | 900 | 152 | 166 | — | 166 | 5,169 | 12,110 | 11,969 | *263 | *15 | *35 | *125 |
| Returns with per-country limitation | 6,748 | 1,051 | 919 | 799 | 133 | *118 | — | *118 | 4,560 | 10,907 | 10,765 | *35 | *1 | *35 | *125 |
| Returns with overall limitation | 1,093 | 167 | 149 | 101 | *18 | *48 | — | *48 | 609 | 1,203 | 1,203 | *228 | *14 | — | — |
| \$5,000 under \$10,000 | 66,819 | 11,154 | 10,581 | 4,317 | 890 | 5,947 | — | 5,947 | 18,942 | 54,294 | 54,200 | 6,631 | 4,577 | *2,084 | *3,401 |
| Returns with per-country limitation | 48,935 | 8,222 | 7,810 | 3,157 | 580 | 4,485 | — | 4,485 | 13,533 | 37,794 | 37,712 | *6,476 | *4,536 | *35 | *14 |
| Returns with overall limitation | 17,884 | 2,932 | 2,771 | 1,160 | 310 | 1,462 | — | 1,462 | 5,409 | 16,500 | 16,488 | *155 | *41 | *2,049 | *3,387 |
| \$10,000 under \$20,000 | 399,871 | 78,282 | 75,821 | 36,569 | 3,515 | 38,198 | — | 38,198 | 40,976 | 331,615 | 328,335 | 14,147 | 18,250 | *1,251 | *1,649 |
| Returns with per-country limitation | 236,005 | 45,700 | 44,354 | 20,983 | 1,973 | 22,744 | — | 22,744 | 23,956 | 189,583 | 186,655 | 7,001 | 6,811 | *582 | *1,164 |
| Returns with overall limitation | 163,865 | 32,581 | 31,468 | 15,586 | 1,542 | 15,453 | — | 15,453 | 17,020 | 142,032 | 141,680 | 7,146 | 11,440 | *669 | *485 |
| \$20,000 under \$30,000 | 625,736 | 142,229 | 140,082 | 41,535 | 4,452 | 96,243 | *367 | 96,609 | 35,178 | 263,991 | 262,216 | 16,233 | 29,774 | *187 | *507 |
| Returns with per-country limitation | 361,379 | 81,879 | 80,627 | 18,179 | 2,252 | 61,448 | *67 | 61,515 | 20,512 | 114,158 | 112,851 | 8,094 | 4,088 | *74 | *340 |
| Returns with overall limitation | 264,358 | 60,351 | 59,455 | 23,356 | 2,200 | 34,795 | *300 | 35,095 | 14,666 | 149,833 | 149,365 | 8,139 | 25,686 | *113 | *168 |
| \$30,000 under \$50,000 | 1,643,798 | 452,998 | 449,494 | 81,010 | 9,504 | 362,484 | *311 | 362,795 | 54,365 | 441,611 | 437,854 | 30,331 | 49,041 | 2,031 | 8,773 |
| Returns with per-country limitation | 725,419 | 196,383 | 194,727 | 26,337 | 4,109 | 165,937 | *83 | 166,020 | 24,357 | 154,663 | 151,659 | 14,092 | 26,276 | 1,431 | 6,993 |
| Returns with overall limitation | 918,380 | 256,615 | 254,767 | 54,672 | 5,395 | 196,548 | *228 | 196,776 | 30,008 | 286,948 | 286,195 | 16,239 | 22,764 | 600 | 1,780 |
| \$50,000 under \$100,000 | 1,957,853 | 702,321 | 699,770 | 84,707 | 11,800 | 605,814 | 688 | 606,502 | 36,622 | 392,981 | 383,595 | 22,042 | 51,663 | 788 | 8,528 |
| Returns with per-country limitation | 883,815 | 317,631 | 316,570 | 22,423 | 5,927 | 289,281 | 447 | 289,728 | 16,360 | 118,168 | 112,291 | 9,441 | 13,947 | 353 | 5,636 |
| Returns with overall limitation | 1,074,038 | 384,690 | 383,201 | 62,284 | 5,874 | 316,532 | 241 | 316,774 | 20,262 | 274,813 | 271,304 | 12,601 | 37,715 | 435 | 2,892 |
| \$100,000 under \$200,000 | 1,423,370 | 639,026 | 637,815 | 30,248 | 8,491 | 600,288 | 2,195 | 602,482 | 14,030 | 154,904 | 148,126 | 9,474 | 37,535 | 326 | 3,508 |
| Returns with per-country limitation | 620,044 | 278,443 | 277,984 | 11,125 | 4,189 | 263,129 | 886 | 264,016 | 6,065 | 55,385 | 52,987 | 3,816 | 13,292 | 160 | 1,367 |
| Returns with overall limitation | 803,326 | 360,583 | 359,831 | 19,123 | 4,302 | 337,158 | 1,308 | 338,467 | 7,965 | 99,519 | 95,139 | 5,658 | 24,243 | 166 | 2,141 |
| \$200,000 under \$500,000 | 921,378 | 491,650 | 490,928 | 18,264 | 6,160 | 467,226 | 4,731 | 471,956 | 4,397 | 91,970 | 89,434 | 2,934 | 21,601 | 150 | 3,238 |
| Returns with per-country limitation | 375,601 | 201,846 | 201,728 | 6,303 | 2,898 | 192,645 | 2,736 | 195,381 | 1,794 | 25,665 | 24,296 | 1,166 | 7,146 | 56 | 1,044 |
| Returns with overall limitation | 545,777 | 289,804 | 289,200 | 11,961 | 3,262 | 274,581 | 1,994 | 276,575 | 2,603 | 66,305 | 65,138 | 1,768 | 14,455 | 94 | 2,194 |
| \$500,000 under \$1,000,000 | 348,412 | 210,163 | 210,112 | 10,706 | 3,109 | 196,348 | 2,687 | 199,036 | 734 | 41,104 | 38,314 | 520 | 11,952 | 29 | 2,311 |
| Returns with per-country limitation | 143,673 | 87,882 | 87,863 | 3,276 | 1,312 | 83,294 | 926 | 84,219 | 293 | 11,970 | 10,701 | 204 | 3,293 | 13 | 1,299 |
| Returns with overall limitation | 204,739 | 122,281 | 122,249 | 7,429 | 1,797 | 113,054 | 1,762 | 114,816 | 441 | 29,134 | 27,614 | 316 | 8,719 | 16 | 1,013 |
| \$1,000,000 or more | 490,165 | 323,589 | 323,568 | 20,671 | 3,786 | 299,132 | 7,627 | 306,759 | 312 | 70,880 | 68,820 | 210 | 7,543 | 13 | 2,053 |
| Returns with per-country limitation | 235,537 | 155,455 | 155,446 | 7,702 | 2,070 | 145,683 | 3,569 | 149,252 | 135 | 32,882 | 31,560 | 84 | 2,296 | 3 | 189 |
| Returns with overall limitation | 254,629 | 168,134 | 168,122 | 12,969 | 1,716 | 153,449 | 4,058 | 157,507 | 177 | 37,998 | 37,261 | 126 | 5,247 | 10 | 1,864 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 9.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Size of Adjusted Gross Income and by Credit-Limitation Method—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Size of adjusted gross income and credit-limitation method | Income and taxes from all sources—Continued | | | | | | | | Foreign income and taxes | | | | | | |
|--|---|--------------------------------|--|----------------------------|---------------|-------------------------------|------------------------------------|-----------------------|--------------------------|-----------|--|-------------------|---------|---------------------|--------|
| | Taxable income | U.S. income tax before credits | U.S. income tax against which foreign tax credit was allowed | Foreign tax credit claimed | Other credits | U.S. income tax after credits | Additional tax for tax preferences | Total U.S. income tax | Gross income | | | | | | |
| | | | | | | | | | Total | | Other than DISC dividends, certain interest and foreign oil-related income | | | | |
| | | | | | | | | | Number of returns | Amount | Total | Dividends | | Rents and royalties | |
| | | | | | | | | | | | | Number of returns | Amount | Number of returns | Amount |
| (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | (30) | (31) | (32) | |
| Taxable returns, total | 7,665,369 | 2,994,994 | 2,982,525 | 274,270 | 48,880 | 2,671,845 | 18,606 | 2,690,451 | 192,659 | 1,520,493 | 1,490,320 | 101,095 | 222,559 | 5,780 | 30,330 |
| Returns with per-country limitation | 3,517,800 | 1,344,957 | 1,339,093 | 92,354 | 23,839 | 1,228,763 | 8,714 | 1,237,478 | 100,020 | 565,376 | 547,896 | 49,819 | 80,186 | 2,413 | 16,891 |
| Returns with overall limitation | 4,147,569 | 1,650,037 | 1,643,432 | 181,916 | 25,041 | 1,443,081 | 9,891 | 1,452,973 | 92,639 | 955,117 | 942,424 | 51,276 | 142,373 | 3,367 | 13,439 |
| Under \$10,000 | 56,130 | 9,416 | 8,889 | 2,559 | 743 | 6,113 | — | 6,113 | 17,845 | 26,763 | 26,583 | 6,565 | 4,576 | *2,049 | *3,387 |
| Returns with per-country limitation | 41,435 | 7,036 | 6,624 | 1,949 | 484 | 4,603 | — | 4,603 | 13,082 | 17,469 | 17,301 | *6,182 | *4,522 | — | — |
| Returns with overall limitation | 14,695 | 2,380 | 2,265 | 610 | 259 | 1,510 | — | 1,510 | 4,763 | 9,294 | 9,282 | *383 | *55 | *2,049 | *3,387 |
| \$10,000 under \$20,000 | 329,389 | 64,786 | 62,951 | 23,813 | 2,775 | 38,198 | — | 38,198 | 33,379 | 209,036 | 205,844 | 13,228 | 17,231 | *512 | *1,024 |
| Returns with per-country limitation | 196,104 | 38,367 | 37,449 | 14,117 | 1,506 | 22,744 | — | 22,744 | 19,653 | 118,267 | 115,427 | 6,856 | 6,358 | *512 | *1,024 |
| Returns with overall limitation | 133,285 | 26,419 | 25,502 | 9,696 | 1,270 | 15,453 | — | 15,453 | 13,726 | 90,769 | 90,417 | 6,372 | 10,873 | — | — |
| \$20,000 or more | 7,279,850 | 2,920,793 | 2,910,685 | 247,898 | 45,361 | 2,627,533 | 18,606 | 2,646,139 | 141,435 | 1,284,693 | 1,257,893 | 81,302 | 200,751 | 3,219 | 25,920 |
| Returns with per-country limitation | 3,280,261 | 1,299,554 | 1,295,020 | 76,289 | 21,850 | 1,201,416 | 8,714 | 1,210,130 | 67,285 | 429,640 | 415,168 | 36,781 | 69,306 | 1,901 | 15,868 |
| Returns with overall limitation | 3,999,589 | 1,621,239 | 1,615,665 | 171,609 | 23,512 | 1,426,118 | 9,891 | 1,436,009 | 74,150 | 855,054 | 842,725 | 44,521 | 131,445 | 1,318 | 10,052 |
| Nontaxable returns, total | 219,874 | 57,636 | 56,716 | 54,657 | 2,979 | — | — | — | 18,066 | 334,968 | 332,544 | 1,690 | 9,391 | 1,114 | 3,764 |
| Returns with per-country limitation | 119,356 | 29,534 | 28,935 | 27,931 | 1,603 | — | — | — | 11,545 | 185,801 | 183,581 | 590 | 1,442 | 329 | 1,280 |
| Returns with overall limitation | 100,519 | 28,101 | 27,781 | 26,726 | 1,376 | — | — | — | 6,521 | 149,167 | 148,963 | 1,100 | 7,949 | 785 | 2,484 |
| Under \$10,000 | 18,530 | 2,957 | 2,760 | 2,658 | 298 | — | — | — | 6,266 | 39,641 | 39,586 | *329 | *15 | *70 | *139 |
| Returns with per-country limitation | 14,248 | 2,237 | 2,106 | 2,008 | 229 | — | — | — | 5,011 | 31,232 | 31,177 | *329 | *15 | *70 | *139 |
| Returns with overall limitation | 4,282 | 720 | 655 | 651 | 69 | — | — | — | 1,255 | 8,409 | 8,409 | — | — | — | — |
| \$10,000 under \$20,000 | 70,481 | 13,496 | 12,870 | 12,756 | 740 | — | — | — | 7,597 | 122,579 | 122,491 | *919 | *1,019 | *739 | *625 |
| Returns with per-country limitation | 39,901 | 7,334 | 6,905 | 6,866 | 468 | — | — | — | 4,303 | 71,316 | 71,228 | *145 | *453 | *70 | *140 |
| Returns with overall limitation | 30,580 | 6,162 | 5,966 | 5,890 | 272 | — | — | — | 3,294 | 51,263 | 51,263 | *774 | *566 | *669 | *485 |
| \$20,000 or more | 130,863 | 41,183 | 41,086 | 39,243 | 1,941 | — | — | — | 4,203 | 172,748 | 170,467 | 442 | 8,356 | 305 | 3,000 |
| Returns with per-country limitation | 65,206 | 19,964 | 19,925 | 19,057 | 906 | — | — | — | 2,231 | 83,253 | 81,176 | 116 | 974 | *189 | *1,001 |
| Returns with overall limitation | 65,657 | 21,219 | 21,161 | 20,185 | 1,034 | — | — | — | 1,972 | 89,495 | 89,291 | 326 | 7,383 | 116 | 1,999 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 9.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Size of Adjusted Gross Income and by Credit-Limitation Method—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Size of adjusted gross income and credit-limitation method | Foreign income and taxes—Continued | | | | | | | | | | | | | | | | |
|--|--|-----------|--|--------|------------------------|-----------------|--------------|-------------------|------------------|-------------------|---------|-------------------|--|-----------------------------------|----------------------------|----------------------------|--|
| | Gross income—Continued | | | | | | | | Deductions | | | | | | | | |
| | Other than DISC dividends, certain interest and foreign oil-related income—Continued | | | | | | | | Certain interest | | Total | | On income other than DISC dividends, certain interest and foreign oil-related income | | | | |
| | Salaries and wages | | Gross gain from sale of capital assets | | Business or profession | Estate or trust | Other income | Number of returns | Amount | Number of returns | Amount | Total | | Business or professional expenses | Rent and royalty expenses | | Other expenses directly allocable to specific income items |
| | Number of returns | Amount | Number of returns | Amount | | | | | | | | Number of returns | Amount | | Depreciation and depletion | Repairs and other expenses | |
| | (33) | (34) | (35) | (36) | (37) | (38) | (39) | (40) | (41) | (42) | (43) | (44) | (45) | (46) | (47) | (48) | (49) |
| All returns, total | 53,635 | 1,117,308 | 4,078 | 80,532 | 86,105 | 32,720 | 240,154 | 12,473 | 31,423 | 58,859 | 193,756 | 58,050 | 190,403 | 17,709 | 1,907 | 5,659 | 47,324 |
| Returns with per-country limitation | 25,019 | 405,929 | 1,590 | 21,846 | 48,590 | 13,745 | 141,567 | 8,871 | 19,117 | 28,187 | 78,296 | 27,516 | 76,252 | 12,021 | 902 | 2,672 | 15,734 |
| Returns with overall limitation | 28,616 | 711,379 | 2,488 | 58,686 | 37,515 | 18,975 | 98,586 | 3,602 | 12,306 | 30,672 | 115,460 | 30,534 | 114,150 | 5,688 | 1,004 | 2,987 | 31,590 |
| \$1 under \$5,000 | 669 | 2,243 | *34 | *15 | — | — | *9,571 | *2,084 | *142 | *2,291 | *596 | *2,291 | *596 | — | — | — | *8 |
| Returns with per-country limitation | *322 | *1,102 | — | — | — | — | *9,537 | *2,084 | *142 | *2,118 | *561 | *2,118 | *561 | — | — | — | *8 |
| Returns with overall limitation | 347 | 1,140 | *34 | *15 | — | — | — | *34 | — | *173 | *35 | *173 | *35 | — | — | — | — |
| \$5,000 under \$10,000 | 5,139 | 31,959 | *35 | *1 | *897 | *8,980 | 4,384 | *452 | *94 | 5,043 | 5,881 | 5,043 | 5,880 | *207 | *451 | *1,436 | 474 |
| Returns with per-country limitation | 3,527 | 20,094 | *35 | *1 | *891 | *8,980 | 3,196 | *415 | *82 | 2,236 | 3,020 | 2,236 | 3,020 | *207 | — | — | *22 |
| Returns with overall limitation | 1,612 | 11,865 | — | — | *7 | — | *1,189 | *37 | *12 | 2,807 | 2,862 | 2,807 | 2,861 | — | *451 | *1,436 | *452 |
| \$10,000 under \$20,000 | 18,873 | 245,251 | *618 | *641 | *1,756 | *11,430 | 49,358 | 1,653 | 3,280 | 14,438 | 42,714 | 14,179 | 42,305 | *49 | *6 | *109 | 12,462 |
| Returns with per-country limitation | 10,539 | 132,575 | *294 | *384 | *853 | *148 | 44,720 | 1,330 | 2,928 | 7,900 | 22,530 | 7,641 | 22,130 | — | *6 | *109 | 7,631 |
| Returns with overall limitation | 8,334 | 112,676 | *324 | *256 | *904 | *11,282 | 4,637 | 323 | 352 | 6,538 | 20,184 | 6,538 | 20,175 | *49 | — | — | 4,831 |
| \$20,000 under \$30,000 | 9,196 | 178,375 | 879 | 8,607 | *13,190 | — | 31,763 | 1,043 | 1,776 | 7,480 | 23,771 | 7,445 | 23,742 | *2,074 | *34 | *76 | 5,987 |
| Returns with per-country limitation | 4,441 | 78,395 | *758 | *1,426 | *9,120 | — | 19,482 | 622 | 1,308 | 3,245 | 8,289 | 3,210 | 8,281 | *1,691 | — | *16 | 1,002 |
| Returns with overall limitation | 4,755 | 99,980 | *121 | *7,181 | *4,071 | — | 12,281 | 421 | 466 | 4,235 | 15,483 | 4,235 | 15,461 | *383 | *34 | *60 | 4,985 |
| \$30,000 under \$50,000 | 12,969 | 336,813 | 935 | 5,024 | 13,633 | 1,613 | 22,958 | 3,020 | 3,757 | 15,309 | 35,894 | 15,265 | 35,867 | 2,910 | 562 | 2,303 | 11,759 |
| Returns with per-country limitation | 4,231 | 94,656 | *74 | *1,346 | 8,576 | *102 | 13,709 | 2,140 | 3,004 | 6,655 | 12,583 | 6,611 | 12,679 | *1,195 | *416 | *1,871 | 2,595 |
| Returns with overall limitation | 8,738 | 242,156 | 861 | 3,678 | 5,057 | *1,511 | 9,249 | 880 | 753 | 8,654 | 23,211 | 8,654 | 23,188 | *1,715 | 146 | 431 | 9,164 |
| \$50,000 under \$100,000 | 5,674 | 252,903 | 1,099 | 12,395 | 20,817 | 2,608 | 34,682 | 2,899 | 9,386 | 9,871 | 35,080 | 9,547 | 33,613 | 4,252 | 318 | 591 | 7,082 |
| Returns with per-country limitation | 1,590 | 61,309 | 290 | 3,476 | 6,554 | 2,501 | 18,868 | 1,630 | 5,877 | 3,976 | 11,672 | 3,726 | 10,670 | 2,669 | *131 | *206 | 1,797 |
| Returns with overall limitation | 4,084 | 191,594 | 809 | 8,919 | 14,263 | *107 | 15,814 | 1,269 | 3,509 | 5,895 | 23,409 | 5,821 | 22,943 | 1,583 | 187 | 385 | 5,285 |
| \$100,000 under \$200,000 | 861 | 50,088 | 289 | 11,253 | 12,588 | 2,325 | 30,829 | 936 | 6,725 | 2,981 | 20,391 | 2,893 | 19,982 | 5,029 | 325 | 664 | 3,162 |
| Returns with per-country limitation | 292 | 14,514 | 87 | 3,332 | 7,550 | 501 | 12,430 | 450 | 2,345 | 1,392 | 10,232 | 1,351 | 10,189 | 3,531 | 191 | 178 | 1,013 |
| Returns with overall limitation | 569 | 35,573 | 202 | 7,921 | 5,038 | 1,824 | 18,399 | 486 | 4,380 | 1,589 | 10,159 | 1,542 | 9,794 | 1,497 | 134 | 486 | 2,149 |
| \$200,000 under \$500,000 | 211 | 14,691 | 151 | 15,741 | 6,624 | 3,632 | 23,907 | 283 | 2,536 | 1,150 | 11,809 | 1,103 | 11,715 | 808 | 163 | 326 | 2,599 |
| Returns with per-country limitation | 63 | 2,842 | 41 | 2,933 | *2,302 | 358 | 7,671 | 150 | 1,369 | 531 | 2,538 | 495 | 2,503 | *653 | *140 | *235 | 369 |
| Returns with overall limitation | 148 | 11,849 | 110 | 12,809 | 4,322 | 3,273 | 16,236 | 133 | 1,167 | 619 | 9,271 | 608 | 9,212 | 155 | *23 | 91 | 2,230 |
| \$500,000 under \$1,000,000 | 32 | 2,936 | 25 | 5,582 | 3,928 | 1,826 | 9,779 | 73 | 1,668 | 204 | 4,794 | 193 | 4,535 | 186 | *37 | *82 | 667 |
| Returns with per-country limitation | 10 | 154 | 6 | 1,519 | 1,067 | 1,023 | 2,405 | 35 | 740 | 85 | 663 | 80 | 612 | *83 | — | — | 112 |
| Returns with overall limitation | 22 | 2,782 | 19 | 4,063 | 2,861 | 803 | 7,374 | 38 | 928 | 119 | 4,131 | 113 | 3,924 | *104 | *25 | *82 | 555 |
| \$1,000,000 or more | 11 | 2,049 | 13 | 21,273 | 12,671 | 307 | 22,923 | 30 | 2,060 | 92 | 12,825 | 91 | 12,167 | 2,194 | *13 | *71 | 3,124 |
| Returns with per-country limitation | 4 | 286 | 5 | 7,429 | 11,677 | 131 | 9,550 | 15 | 1,323 | 49 | 6,109 | 48 | 5,608 | *1,993 | *7 | *56 | 1,185 |
| Returns with overall limitation | 7 | 1,763 | 8 | 13,845 | 994 | 176 | 13,373 | 15 | 737 | 43 | 6,717 | 43 | 6,559 | 201 | *5 | *16 | 1,939 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 9.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Size of Adjusted Gross Income and by Credit-Limitation Method—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

| Size of adjusted gross income and credit-limitation method | Foreign income and taxes—Continued | | | | | | | | | | | | | | | | |
|--|--|---------|--|--------|------------------------|-----------------|--------------|-------------------|--------|-------------------|--|-------------------|---------|-----------------------------------|----------------------------|----------------------------|--|
| | Gross income—Continued | | | | | | | | | | Deductions | | | | | | |
| | Other than DISC dividends, certain interest and foreign oil-related income—Continued | | | | | | | | | | On income other than DISC dividends, certain interest and foreign oil-related income | | | | | | |
| | Salaries and wages | | Gross gain from sale of capital assets | | Business or profession | Estate or trust | Other income | Number of returns | Amount | Number of returns | Amount | Total | | Business or professional expenses | Rent and royalty expenses | | Other expenses directly allocable to specific income items |
| | Number of returns | Amount | Number of returns | Amount | | | | | | | | Number of returns | Amount | | Depreciation and depletion | Repairs and other expenses | |
| | (33) | (34) | (35) | (36) | (37) | (38) | (39) | (40) | (41) | (42) | (43) | (44) | (45) | (46) | (47) | (48) | (49) |
| Taxable returns, total | 41,089 | 873,811 | 3,812 | 73,008 | 64,339 | 23,024 | 203,248 | 11,613 | 28,998 | 48,009 | 153,595 | 47,240 | 150,805 | 15,399 | 1,831 | 5,067 | 40,922 |
| Returns with per-country limitation | 18,289 | 280,980 | 1,534 | 18,937 | 37,803 | 4,765 | 108,334 | 8,171 | 16,897 | 20,772 | 56,173 | 20,141 | 54,850 | 10,759 | 866 | 2,187 | 11,646 |
| Returns with overall limitation | 22,800 | 592,831 | 2,278 | 54,071 | 26,536 | 18,259 | 94,915 | 3,442 | 12,101 | 27,237 | 97,422 | 27,099 | 96,155 | 4,640 | 965 | 2,880 | 29,276 |
| Under \$10,000 | 3,550 | 16,730 | *69 | *16 | *168 | — | 1,705 | *2,172 | *180 | 2,812 | 2,881 | 2,812 | 2,880 | — | *451 | *1,436 | *338 |
| Returns with per-country limitation | 2,583 | 11,091 | *35 | *1 | *162 | — | *1,525 | *2,135 | *168 | *144 | *198 | *144 | *198 | — | — | — | (1) |
| Returns with overall limitation | 967 | 5,639 | *34 | *15 | *7 | — | *180 | *37 | *12 | 2,668 | 2,683 | 2,668 | 2,683 | — | *451 | *1,436 | *337 |
| \$10,000 under \$20,000 | 12,151 | 146,438 | *583 | *257 | *435 | *11,430 | 29,030 | 1,548 | 3,192 | 10,767 | 21,530 | 10,508 | 21,132 | *49 | — | *86 | 9,260 |
| Returns with per-country limitation | 7,041 | 83,418 | *259 | *1 | — | *148 | 24,479 | *1,225 | *2,840 | 6,012 | 11,363 | 5,753 | 10,974 | — | — | *86 | 5,612 |
| Returns with overall limitation | 5,110 | 63,020 | *324 | *256 | *435 | *11,282 | 4,551 | 323 | 352 | 4,755 | 10,167 | 4,755 | 10,158 | *49 | — | — | 3,648 |
| \$20,000 or more | 25,388 | 710,643 | 3,160 | 72,735 | 63,736 | 11,595 | 172,513 | 7,893 | 25,626 | 34,430 | 129,184 | 33,920 | 126,793 | 15,350 | 1,380 | 3,545 | 31,324 |
| Returns with per-country limitation | 8,665 | 186,471 | 1,240 | 18,935 | 37,641 | 4,617 | 82,330 | 4,811 | 13,889 | 14,616 | 44,613 | 14,244 | 43,478 | 10,759 | 866 | 2,101 | 6,033 |
| Returns with overall limitation | 16,723 | 524,172 | 1,920 | 53,799 | 26,095 | 6,977 | 90,184 | 3,082 | 11,737 | 19,814 | 84,571 | 19,676 | 83,315 | 4,591 | 515 | 1,444 | 25,291 |
| Nontaxable returns, total | 12,546 | 243,497 | 266 | 7,524 | 21,766 | 9,696 | 36,906 | 860 | 2,425 | 10,850 | 40,161 | 10,810 | 39,597 | 2,310 | 76 | 592 | 6,403 |
| Returns with per-country limitation | 6,730 | 124,949 | *56 | *2,909 | 10,787 | *8,980 | 33,234 | 700 | 2,220 | 7,415 | 22,123 | 7,375 | 21,602 | 1,262 | *37 | *485 | 4,088 |
| Returns with overall limitation | 5,816 | 118,548 | 210 | 4,615 | 10,979 | *716 | 3,672 | 160 | 205 | 3,435 | 18,039 | 3,435 | 17,995 | *1,049 | *39 | *107 | 2,314 |
| Under \$10,000 | 2,258 | 17,472 | — | — | *729 | *8,980 | 12,250 | *364 | *55 | 4,522 | 3,596 | 4,522 | 3,596 | *207 | — | — | *144 |
| Returns with per-country limitation | 1,266 | 10,105 | — | — | *729 | *8,980 | *11,208 | *364 | *55 | 4,210 | 3,383 | 4,210 | 3,383 | *207 | — | — | *29 |
| Returns with overall limitation | 992 | 7,367 | — | — | — | — | *1,042 | — | — | *312 | *213 | *312 | *213 | — | — | — | *115 |
| \$10,000 under \$20,000 | 6,722 | 98,813 | *35 | *383 | *1,322 | — | *20,328 | *105 | *88 | 3,671 | 21,184 | 3,671 | 21,173 | — | *6 | *23 | 3,202 |
| Returns with per-country limitation | 3,498 | 49,157 | *35 | *383 | *853 | — | *20,242 | *105 | *88 | 1,888 | 11,167 | 1,888 | 11,156 | — | *6 | *23 | *2,019 |
| Returns with overall limitation | 3,224 | 49,656 | — | — | *469 | — | *86 | — | — | 1,783 | 10,017 | 1,783 | 10,017 | — | — | — | *1,183 |
| \$20,000 or more | 3,566 | 127,211 | 231 | 7,141 | 19,715 | *716 | 4,328 | 391 | 2,281 | 2,657 | 15,381 | 2,617 | 14,828 | 2,104 | 70 | *569 | 3,056 |
| Returns with per-country limitation | 1,966 | 65,686 | *21 | *2,526 | 9,205 | (1) | 1,784 | 231 | 2,077 | 1,317 | 7,572 | 1,277 | 7,063 | 1,055 | *31 | *462 | 2,040 |
| Returns with overall limitation | 1,600 | 61,525 | 210 | 4,615 | 10,510 | *716 | 2,543 | 160 | 205 | 1,340 | 7,808 | 1,340 | 7,765 | *1,049 | *39 | *107 | 1,017 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED
Table 9.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Size of Adjusted Gross Income and by Credit-Limitation Method—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Size of adjusted gross income and credit-limitation method | Foreign income and taxes—Continued | | | | | | | | | | | | | | | | |
|--|--|-------------------|---------------------|-------------------|----------------------------|-------------------|--|-------------------|------------------|-------------------|------------------------------------|---------|--|--------|---------------------------------------|--------|-------|
| | Deductions—Continued | | | | Taxable income (less loss) | | | | | | Foreign taxes available for credit | | | | | | |
| | On income other than DISC dividends, certain interest and foreign oil-related income—Continued | | On certain interest | | Total | | Other than DISC dividends, certain interest and foreign oil-related income | | Certain interest | | Total | | Foreign taxes paid or accrued | | | | |
| | | | | | | | | | | | | | On income other than DISC dividends, certain interest and foreign oil-related income | | | | |
| | | | | | | | | | | | | | | | | | |
| Expenses not directly allocable to specific income items | Gross capital loss and other losses from foreign sources | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Total | Taxes withheld on dividends | | Taxes withheld on rents and royalties | | |
| | (50) | (51) | (52) | (53) | (54) | (55) | (56) | (57) | (58) | (59) | (60) | (61) | (62) | (63) | (64) | (65) | (66) |
| All returns, total | 109,167 | 8,636 | 3,103 | 3,215 | 210,725 | 1,661,700 | 203,400 | 1,632,456 | 12,439 | 28,207 | 208,617 | 439,515 | 433,888 | 99,537 | 39,813 | 4,415 | 3,982 |
| Returns with per country limitation | 41,542 | 3,381 | 1,182 | 2,039 | 111,565 | 672,878 | 104,742 | 655,222 | 8,871 | 17,078 | 111,103 | 170,552 | 167,025 | 48,702 | 13,370 | 1,293 | 1,487 |
| Returns with overall limitation | 67,625 | 5,255 | 1,941 | 1,176 | 99,160 | 988,821 | 98,658 | 977,233 | 3,568 | 11,130 | 97,514 | 268,963 | 266,863 | 50,835 | 26,444 | 3,122 | 2,495 |
| \$1 under \$5,000 | *588 | — | — | — | 5,169 | 11,514 | 3,085 | 11,372 | *2,084 | *142 | 5,134 | 7,787 | 7,769 | *228 | *2 | — | — |
| Returns with per-country limitation | *553 | — | — | — | 4,560 | 10,346 | 2,476 | 10,204 | *2,084 | *142 | 4,525 | 6,382 | 6,364 | — | — | — | — |
| Returns with overall limitation | *35 | — | — | — | 609 | 1,168 | 609 | 1,168 | — | — | 609 | 1,405 | 1,405 | *228 | *2 | — | — |
| \$5,000 under \$10,000 | 1,435 | *1,878 | *35 | *1 | 18,942 | 48,414 | 18,897 | 48,321 | *452 | *93 | 18,839 | 16,171 | 16,124 | 6,561 | 653 | *2,049 | *490 |
| Returns with per-country limitation | 913 | *1,878 | — | — | 13,533 | 34,775 | 13,488 | 34,694 | *415 | *82 | 13,533 | 9,646 | 9,599 | *6,441 | *645 | — | — |
| Returns with overall limitation | 522 | — | *35 | *1 | 5,409 | 13,638 | 5,409 | 13,627 | *37 | *12 | 5,306 | 6,525 | 6,525 | *120 | *8 | *2,049 | *490 |
| \$10,000 under \$20,000 | 29,405 | *273 | 541 | 409 | 40,976 | 288,899 | 39,855 | 286,028 | 1,653 | 2,871 | 40,836 | 73,648 | 73,191 | 13,138 | 2,161 | *477 | *121 |
| Returns with per-country limitation | 14,351 | *33 | *363 | *400 | 23,956 | 167,052 | 22,835 | 164,523 | 1,330 | 2,528 | 23,886 | 36,149 | 35,708 | 6,167 | 513 | *477 | 121 |
| Returns with overall limitation | 15,054 | *240 | *178 | *9 | 17,020 | 121,847 | 17,020 | 121,504 | 323 | 343 | 16,950 | 37,499 | 37,482 | 6,971 | 1,648 | — | — |
| \$20,000 under \$30,000 | 15,546 | *26 | 348 | 30 | 35,178 | 240,220 | 34,879 | 238,474 | 1,009 | 1,746 | 34,791 | 58,743 | 58,432 | 15,915 | 5,872 | *44 | *73 |
| Returns with per-country limitation | 5,562 | *10 | *82 | *8 | 20,512 | 105,870 | 20,213 | 104,570 | 622 | 1,300 | 20,403 | 25,010 | 24,716 | 8,048 | 630 | — | — |
| Returns with overall limitation | 9,983 | *16 | 266 | 22 | 14,666 | 134,350 | 14,666 | 133,904 | 387 | 446 | 14,388 | 33,733 | 33,716 | 7,867 | 5,242 | *44 | *73 |
| \$30,000 under \$50,000 | 18,168 | 166 | 597 | 27 | 54,365 | 405,716 | 52,316 | 401,986 | 3,020 | 3,730 | 53,478 | 109,291 | 108,724 | 29,515 | 8,781 | *894 | *655 |
| Returns with per-country limitation | 6,576 | *26 | 127 | 4 | 24,357 | 141,980 | 22,462 | 138,979 | 2,140 | 3,000 | 24,324 | 36,615 | 36,167 | 13,825 | 5,782 | *384 | *347 |
| Returns with overall limitation | 11,592 | 139 | 470 | 24 | 30,008 | 263,736 | 29,854 | 263,007 | 880 | 729 | 29,154 | 72,675 | 72,557 | 15,690 | 2,999 | *510 | *308 |
| \$50,000 under \$100,000 | 20,261 | 1,109 | 1,129 | 1,467 | 36,622 | 357,899 | 35,341 | 349,981 | 2,899 | 7,919 | 36,134 | 94,387 | 92,915 | 21,424 | 10,068 | 575 | 797 |
| Returns with per-country limitation | 5,444 | 424 | 419 | 1,002 | 16,360 | 106,495 | 15,337 | 101,620 | 1,630 | 4,876 | 16,184 | 27,271 | 26,195 | 9,145 | 2,339 | 264 | 453 |
| Returns with overall limitation | 14,817 | 685 | 710 | 466 | 20,262 | 251,404 | 20,004 | 248,361 | 1,269 | 3,043 | 19,950 | 67,116 | 66,720 | 12,279 | 7,729 | 311 | 344 |
| \$100,000 under \$200,000 | 10,150 | 652 | 312 | 408 | 14,030 | 134,513 | 13,731 | 128,143 | 936 | 6,317 | 13,968 | 30,062 | 28,911 | 9,191 | 5,445 | 221 | 381 |
| Returns with per-country limitation | 5,035 | 240 | 99 | 43 | 6,065 | 45,153 | 5,819 | 42,798 | 450 | 2,302 | 6,030 | 11,549 | 11,128 | 3,669 | 1,789 | 111 | 186 |
| Returns with overall limitation | 5,115 | 412 | 213 | 365 | 7,965 | 89,360 | 7,912 | 85,345 | 486 | 4,015 | 7,938 | 18,513 | 17,783 | 5,522 | 3,656 | 110 | 194 |
| \$200,000 under \$500,000 | 6,459 | 1,359 | 98 | 95 | 4,397 | 80,160 | 4,283 | 77,719 | 283 | 2,441 | 4,394 | 19,246 | 18,787 | 2,856 | 3,184 | 122 | 699 |
| Returns with per-country limitation | 1,074 | *32 | 54 | 35 | 1,794 | 23,127 | 1,708 | 21,793 | 150 | 1,334 | 1,791 | 7,016 | 6,767 | 1,131 | 831 | 46 | 132 |
| Returns with overall limitation | 5,386 | 1,327 | 44 | 60 | 2,603 | 57,034 | 2,575 | 55,926 | 133 | 1,107 | 2,603 | 12,229 | 12,020 | 1,725 | 2,353 | 76 | 567 |
| \$500,000 under \$1,000,000 | 2,414 | 1,149 | 33 | 120 | 734 | 36,310 | 707 | 33,779 | 73 | 1,548 | 732 | 10,258 | 9,521 | 505 | 2,204 | 21 | 319 |
| Returns with per-country limitation | 318 | 86 | 14 | 47 | 293 | 11,307 | 274 | 10,089 | 35 | 693 | 293 | 3,273 | 2,941 | 194 | 556 | 8 | 220 |
| Returns with overall limitation | 2,096 | 1,063 | 19 | 73 | 441 | 25,003 | 433 | 23,690 | 38 | 855 | 439 | 6,985 | 6,581 | 311 | 1,648 | 13 | 99 |
| \$1,000,000 or more | 4,740 | 2,024 | 10 | 658 | 312 | 58,055 | 306 | 56,653 | 30 | 1,402 | 311 | 19,923 | 19,514 | 204 | 1,443 | 12 | 448 |
| Returns with per-country limitation | 1,715 | 652 | 4 | 501 | 135 | 26,774 | 130 | 25,952 | 15 | 822 | 134 | 7,641 | 7,440 | 82 | 284 | 3 | 28 |
| Returns with overall limitation | 3,025 | 1,373 | 6 | 157 | 177 | 31,281 | 176 | 30,701 | 15 | 580 | 177 | 12,282 | 12,074 | 122 | 1,158 | 9 | 420 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 9.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Size of Adjusted Gross Income and by Credit-Limitation Method—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Size of adjusted gross income and credit-limitation method | Foreign income and taxes—Continued | | | | | | | | | | | | | | | | |
|--|--|-------------------|---------------------|-------------------|----------------------------|-------------------|--|-------------------|------------------|-------------------|---------|-------------------|--|-------------------|---------------------------------------|-------------------|--------|
| | Deductions—Continued | | | | Taxable income (less loss) | | | | | | | | Foreign taxes available for credit | | | | |
| | | | | | | | | | | | | | Foreign taxes paid or accrued | | | | |
| | On income other than DISC dividends, certain interest and foreign oil-related income—Continued | | On certain interest | | Total | | Other than DISC dividends, certain interest and foreign oil-related income | | Certain interest | | Total | | On income other than DISC dividends, certain interest and foreign oil-related income | | | | |
| | | | | | | | | | | | | | Taxes withheld on dividends | | Taxes withheld on rents and royalties | | |
| Expenses not directly allocable to specific income items | Gross capital loss and other losses from foreign sources | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (50) | (51) | (52) | (53) | (54) | (55) | (56) | (57) | (58) | (59) | (60) | (61) | (62) | (63) | (64) | (65) | (66) |
| Taxable returns, total | 81,022 | 6,565 | 2,938 | 2,652 | 192,659 | 1,366,892 | 185,375 | 1,339,509 | 11,579 | 26,347 | 190,635 | 334,206 | 329,020 | 98,112 | 36,504 | 4,318 | 3,500 |
| Returns with per-country limitation | 27,737 | 1,456 | 1,073 | 1,519 | 100,020 | 509,199 | 93,238 | 493,243 | 8,171 | 15,378 | 99,570 | 116,263 | 113,143 | 48,246 | 13,060 | 1,293 | 1,487 |
| Returns with overall limitation | 53,285 | 5,108 | 1,867 | 1,133 | 92,639 | 857,693 | 92,137 | 846,266 | 3,408 | 10,968 | 91,065 | 217,944 | 215,877 | 49,866 | 23,445 | 3,025 | 2,013 |
| Under \$10,000 | 656 | — | *35 | *1 | 17,845 | 23,882 | 15,716 | 23,703 | *2,172 | *180 | 17,741 | 7,571 | 7,518 | 6,530 | 655 | *2,049 | *490 |
| Returns with per-country limitation | *197 | — | — | — | 13,082 | 17,271 | 10,953 | 17,103 | *2,135 | *168 | 13,047 | 4,202 | 4,149 | *6,182 | *645 | — | — |
| Returns with overall limitation | 458 | — | *35 | *1 | 4,763 | 6,611 | 4,763 | 6,599 | *37 | *12 | 4,694 | 3,369 | 3,368 | *348 | *10 | *2,049 | *490 |
| \$10,000 under \$20,000 | 11,463 | *273 | *506 | *398 | 33,379 | 187,505 | 32,258 | 184,710 | 1,548 | 2,795 | 33,274 | 42,946 | 42,489 | 12,359 | 2,101 | *477 | *121 |
| Returns with per-country limitation | 5,244 | *33 | *328 | *388 | 19,653 | 106,903 | 18,532 | 104,452 | *1,225 | *2,452 | 19,583 | 20,160 | 19,719 | 6,057 | 456 | *477 | *121 |
| Returns with overall limitation | 6,220 | *240 | *178 | *9 | 13,726 | 80,601 | 13,726 | 80,258 | 323 | 343 | 13,691 | 22,786 | 22,769 | 6,302 | 1,645 | — | — |
| \$20,000 or more | 68,903 | 6,291 | 2,397 | 2,253 | 141,435 | 1,155,505 | 137,401 | 1,131,096 | 7,859 | 23,372 | 139,620 | 283,689 | 279,014 | 79,223 | 33,749 | 1,792 | 2,890 |
| Returns with per-country limitation | 22,296 | 1,423 | 744 | 1,130 | 67,285 | 385,025 | 63,753 | 371,688 | 4,811 | 12,759 | 66,940 | 91,901 | 89,274 | 36,007 | 11,959 | 816 | 1,366 |
| Returns with overall limitation | 46,607 | 4,868 | 1,653 | 1,123 | 74,150 | 770,481 | 73,648 | 759,408 | 3,048 | 10,614 | 72,680 | 191,788 | 189,740 | 43,216 | 21,790 | 976 | 1,523 |
| Nontaxable returns, total | 28,145 | 2,071 | 165 | 564 | 18,066 | 294,808 | 18,025 | 292,947 | 860 | 1,861 | 17,982 | 105,309 | 104,868 | 1,425 | 3,309 | *97 | *482 |
| Returns with per-country limitation | 13,806 | 1,925 | *90 | *520 | 11,545 | 163,679 | 11,504 | 161,980 | 700 | 1,700 | 11,533 | 54,290 | 53,882 | 456 | 310 | — | — |
| Returns with overall limitation | 14,340 | *147 | 75 | 43 | 6,521 | 131,129 | 6,521 | 130,967 | 160 | 161 | 6,449 | 51,019 | 50,986 | 969 | 2,999 | *97 | *482 |
| Under \$10,000 | 1,367 | *1,878 | — | — | 6,266 | 36,046 | 6,266 | 35,990 | *364 | *55 | 6,232 | 16,387 | 16,375 | *259 | (1) | — | — |
| Returns with per-country limitation | 1,269 | *1,878 | — | — | 5,011 | 27,850 | 5,011 | 27,795 | *364 | *55 | 5,011 | 11,826 | 11,814 | *259 | (1) | — | — |
| Returns with overall limitation | *98 | — | — | — | 1,255 | 8,196 | 1,255 | 8,196 | — | — | 1,221 | 4,561 | 4,561 | — | — | — | — |
| \$10,000 under \$20,000 | 17,942 | — | *35 | *11 | 7,597 | 101,395 | 7,597 | 101,318 | *105 | *77 | 7,562 | 30,702 | 30,702 | *779 | *60 | — | — |
| Returns with per-country limitation | 9,108 | — | *35 | *11 | 4,303 | 60,149 | 4,303 | 60,072 | *105 | *77 | 4,303 | 15,989 | 15,989 | *110 | *57 | — | — |
| Returns with overall limitation | 8,834 | — | — | — | 3,294 | 41,246 | 3,294 | 41,246 | — | — | 3,259 | 14,713 | 14,713 | *669 | *3 | — | — |
| \$20,000 or more | 8,836 | 193 | 130 | 552 | 4,203 | 157,367 | 4,162 | 155,638 | 391 | 1,729 | 4,188 | 58,220 | 57,790 | 387 | 3,249 | *97 | *482 |
| Returns with per-country limitation | 3,429 | *47 | *55 | *509 | 2,231 | 75,681 | 2,190 | 74,113 | 231 | 1,568 | 2,219 | 26,475 | 26,079 | 87 | 253 | — | — |
| Returns with overall limitation | 5,407 | *147 | 75 | 43 | 1,972 | 81,687 | 1,972 | 81,526 | 160 | 161 | 1,969 | 31,745 | 31,712 | 300 | 2,996 | *97 | *482 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED
Table 9.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Size of Adjusted Gross Income and by Credit-Limitation Method—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Size of adjusted gross income and credit-limitation method | Foreign income and taxes—Continued | | | | | | | | | | | | | | | | |
|---|--|---------|---------------------------|---|----------------------|---------|---|----------------------|---------------------------|----------------------|---------|---|---------------------------|---------|--|-----------------------------|--------|
| | Foreign taxes available for credit—Continued | | | | | | | | | | | | | | | Foreign tax credit computed | |
| | Foreign taxes paid or accrued—Continued | | On certain interest | Reduction for certain foreign taxes | Carryover | | | | On certain interest | Total foreign taxes | | | | Total | For taxes on— | | |
| | | | | | Total | | On income other than DISC dividends, certain interest and foreign oil- related income | | | Total | | On income other than DISC dividends, certain interest and foreign oil- related income | On certain interest | | Income other than DISC dividends, certain interest and foreign oil- related income | Certain interest | |
| | On income other than DISC dividends, certain interest and foreign oil-related income—Continued | | | | Total | | Total | | | | | | | | | | |
| | Other foreign taxes paid or accrued | | | | Number of returns | | Amount | | | Number of returns | | Amount | | | Number of returns | | Amount |
| Number of returns | | Amount | | Number of returns | | Amount | | Number of returns | | Amount | | Number of returns | | Amount | | | |
| | (67) | (68) | (69) | (70) | (71) | (72) | (73) | (74) | (75) | (76) | (77) | (78) | (79) | (80) | (81) | (82) | |
| All returns, total | 105,601 | 390,093 | 5,138 | *753 | 26,950 | 194,408 | 26,685 | 193,690 | 698 | 210,725 | 633,176 | 626,831 | 5,836 | 329,589 | 324,516 | 4,569 | |
| Returns with per country limitation | 57,381 | 152,168 | 3,268 | *16 | 11,066 | 48,861 | 10,853 | 48,604 | 256 | 111,565 | 219,397 | 215,613 | 3,524 | 120,566 | 117,567 | 2,745 | |
| Returns with overall limitation | 48,220 | 237,924 | 1,870 | *737 | 15,884 | 145,547 | 15,832 | 145,086 | 442 | 99,160 | 413,779 | 411,217 | 2,312 | 209,023 | 206,949 | 1,824 | |
| \$1 under \$5,000 | 2,822 | 7,767 | *18 | — | *313 | *1,829 | *313 | *1,829 | — | 5,169 | 9,616 | 9,598 | *18 | 900 | 887 | *13 | |
| Returns with per-country limitation | 2,441 | 6,364 | *18 | — | *104 | *453 | *104 | *453 | — | 4,560 | 6,835 | 6,817 | *18 | 799 | 786 | *13 | |
| Returns with overall limitation | 381 | 1,402 | — | — | *209 | *1,376 | *209 | *1,376 | — | 609 | 2,781 | 2,781 | — | 101 | 101 | — | |
| \$5,000 under \$10,000 | 10,548 | 14,981 | *47 | — | 4,626 | 6,365 | 4,626 | 6,315 | *50 | 18,942 | 22,536 | 22,439 | *97 | 4,420 | 4,414 | *6 | |
| Returns with per-country limitation | 7,340 | 8,954 | *46 | — | 4,107 | 3,518 | 4,107 | 3,469 | *49 | 13,533 | 13,164 | 13,068 | *96 | 3,259 | 3,253 | *5 | |
| Returns with overall limitation | 3,208 | 6,027 | *1 | — | 519 | 2,847 | 519 | 2,846 | *1 | 5,409 | 9,372 | 9,371 | *2 | 1,161 | 1,161 | — | |
| \$10,000 under \$20,000 | 28,022 | 70,909 | 457 | — | 6,764 | 31,094 | 6,764 | 31,090 | *4 | 40,976 | 104,741 | 104,280 | 461 | 36,687 | 36,351 | 336 | |
| Returns with per-country limitation | 17,297 | 35,075 | *440 | — | 3,082 | 8,875 | 3,082 | 8,875 | — | 23,956 | 45,023 | 44,583 | *440 | 21,027 | 20,706 | *321 | |
| Returns with overall limitation | 10,725 | 35,834 | *17 | — | 3,682 | 22,219 | 3,682 | 22,215 | *4 | 17,020 | 59,718 | 59,697 | *21 | 15,660 | 15,645 | *15 | |
| \$20,000 under \$30,000 | 18,540 | 52,488 | 311 | *30 | 4,437 | 34,308 | 4,396 | 34,008 | *299 | 35,178 | 93,022 | 92,412 | 610 | 41,548 | 41,271 | 277 | |
| Returns with per-country limitation | 12,057 | 24,087 | 293 | — | 875 | 7,719 | 840 | 7,644 | *75 | 20,512 | 32,729 | 32,360 | 368 | 18,188 | 17,934 | 253 | |
| Returns with overall limitation | 6,483 | 28,401 | *17 | *30 | 3,562 | 26,589 | 3,556 | 26,364 | *225 | 14,666 | 60,293 | 60,052 | 242 | 23,360 | 23,337 | *23 | |
| \$30,000 under \$50,000 | 23,976 | 99,288 | 567 | — | 5,893 | 56,411 | 5,868 | 56,368 | 43 | 54,365 | 165,703 | 165,093 | 610 | 81,112 | 80,555 | 558 | |
| Returns with per-country limitation | 8,998 | 30,037 | 449 | — | 1,527 | 11,317 | 1,527 | 11,309 | *9 | 24,357 | 47,933 | 47,475 | 458 | 26,361 | 25,910 | 451 | |
| Returns with overall limitation | 14,978 | 69,250 | 118 | — | 4,366 | 45,093 | 4,341 | 45,059 | 34 | 30,008 | 117,770 | 117,618 | 152 | 54,752 | 54,645 | 107 | |
| \$50,000 under \$100,000 | 14,665 | 82,050 | 1,472 | *524 | 4,099 | 45,515 | 3,915 | 45,341 | 174 | 36,622 | 139,380 | 137,734 | 1,646 | 84,805 | 83,579 | 1,226 | |
| Returns with per-country limitation | 6,229 | 23,402 | 1,077 | — | 1,093 | 9,453 | 925 | 9,392 | *61 | 16,360 | 36,725 | 35,587 | 1,138 | 22,484 | 21,687 | 796 | |
| Returns with overall limitation | 8,436 | 58,648 | 395 | *524 | 3,006 | 36,062 | 2,990 | 35,949 | 113 | 20,262 | 102,655 | 102,147 | 508 | 62,321 | 61,892 | 430 | |
| \$100,000 under \$200,000 | 5,004 | 23,085 | 1,139 | *12 | 624 | 8,731 | 615 | 8,647 | 84 | 14,030 | 38,782 | 37,547 | 1,223 | 30,275 | 29,191 | 1,074 | |
| Returns with per-country limitation | 2,264 | 9,153 | 409 | — | 206 | 2,899 | 199 | 2,843 | *55 | 6,065 | 14,448 | 13,971 | 465 | 11,144 | 10,749 | 385 | |
| Returns with overall limitation | 2,740 | 13,932 | 730 | *12 | 418 | 5,833 | 416 | 5,804 | 29 | 7,965 | 24,334 | 23,575 | 758 | 19,131 | 18,442 | 689 | |
| \$200,000 under \$500,000 | 1,648 | 14,904 | 459 | — | 152 | 4,479 | 149 | 4,471 | *7 | 4,397 | 23,725 | 23,259 | 466 | 18,367 | 17,922 | 445 | |
| Returns with per-country limitation | 612 | 5,803 | 249 | — | 56 | 1,287 | 53 | 1,281 | *7 | 1,794 | 8,304 | 8,048 | 256 | 6,323 | 6,086 | 237 | |
| Returns with overall limitation | 1,036 | 9,100 | 209 | — | 96 | 3,192 | 96 | 3,191 | 1 | 2,603 | 15,421 | 15,211 | 210 | 12,045 | 11,836 | 208 | |
| \$500,000 under \$1,000,000 | 253 | 6,998 | 260 | 16 | 28 | 1,096 | 25 | 1,076 | — | 734 | 11,339 | 10,581 | 260 | 10,799 | 10,048 | 258 | |
| Returns with per-country limitation | 90 | 2,164 | 84 | 16 | 9 | 176 | 9 | 176 | — | 293 | 3,434 | 3,101 | 84 | 3,276 | 2,950 | 83 | |
| Returns with overall limitation | 163 | 4,833 | 176 | — | 19 | 920 | 16 | 899 | — | 441 | 7,905 | 7,480 | 176 | 7,523 | 7,099 | 175 | |
| \$1,000,000 or more | 123 | 17,623 | 409 | 171 | 14 | 4,581 | 14 | 4,545 | 36 | 312 | 24,333 | 23,888 | 445 | 20,675 | 20,297 | 378 | |
| Returns with per-country limitation | 53 | 7,128 | 201 | — | 7 | 3,163 | 7 | 3,163 | — | 135 | 10,803 | 10,602 | 201 | 7,706 | 7,504 | 201 | |
| Returns with overall limitation | 70 | 10,495 | 208 | 171 | 7 | 1,418 | 7 | 1,382 | 36 | 177 | 13,529 | 13,286 | 243 | 12,969 | 12,792 | 177 | |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 9.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Size of Adjusted Gross Income and by Credit-Limitation Method—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Size of adjusted gross income and credit-limitation method | Foreign income and taxes—Continued | | | | | | | | | | | | | | | |
|--|--|---------|---------------------|-------------------------------------|-------------------|---------|--|---------|---------------------|---------------------|---------|--|---------------------|-----------------------------|---|------------------|
| | Foreign taxes available for credit—Continued | | | | | | | | | | | | | Foreign tax credit computed | | |
| | Foreign taxes paid or accrued—Continued | | On certain interest | Reduction for certain foreign taxes | Carryover | | | | On certain interest | Total foreign taxes | | | | Total | For taxes on— | |
| | On income other than DISC dividends, certain interest and foreign oil-related income—Continued | | | | Total | | On income other than DISC dividends, certain interest and foreign oil-related income | | | Total | | On income other than DISC dividends, certain interest and foreign oil-related income | On certain interest | | Income other than DISC dividends, certain interest and foreign oil-related income | Certain interest |
| | Other foreign taxes paid or accrued | | | | Number of returns | Amount | Number of returns | Amount | | Number of returns | Amount | | | | | |
| | Number of returns | Amount | | | | | | | | | | Number of returns | Amount | | Number of returns | Amount |
| | (67) | (68) | (69) | (70) | (71) | (72) | (73) | (74) | (75) | (76) | (77) | (78) | (79) | (80) | (81) | (82) |
| Taxable returns, total | 88,013 | 289,016 | 4,697 | *753 | 22,102 | 154,056 | 21,847 | 153,452 | 584 | 192,659 | 487,514 | 481,724 | 5,281 | 274,530 | 269,665 | 4,361 |
| Returns with per-country limitation | 46,066 | 98,596 | 2,860 | *16 | 8,357 | 33,294 | 8,144 | 33,145 | 148 | 100,020 | 149,540 | 146,272 | 3,008 | 92,458 | 89,639 | 2,566 |
| Returns with overall limitation | 41,947 | 190,420 | 1,837 | *737 | 13,745 | 120,762 | 13,703 | 120,306 | 436 | 92,639 | 337,974 | 335,273 | 2,273 | 182,071 | 180,026 | 1,796 |
| Under \$10,000 | 7,138 | 6,373 | *54 | — | 2,674 | 2,941 | 2,674 | 2,940 | *1 | 17,845 | 10,513 | 10,458 | *54 | 2,567 | 2,552 | *15 |
| Returns with per-country limitation | 4,770 | 3,504 | *53 | — | *2,222 | *725 | *2,222 | *725 | — | 13,082 | 4,927 | 4,874 | *53 | 1,957 | 1,942 | *14 |
| Returns with overall limitation | 2,368 | 2,869 | *1 | — | 452 | 2,216 | 452 | 2,215 | *1 | 4,763 | 5,585 | 5,584 | *2 | 610 | 610 | (1) |
| \$10,000 under \$20,000 | 20,570 | 40,267 | 457 | — | 5,707 | 18,156 | 5,707 | 18,153 | *4 | 33,379 | 61,102 | 60,641 | 461 | 23,870 | 23,534 | 336 |
| Returns with per-country limitation | 13,104 | 19,143 | *440 | — | 2,763 | 3,435 | 2,763 | 3,435 | — | 19,653 | 23,594 | 23,154 | *440 | 14,152 | 13,831 | *321 |
| Returns with overall limitation | 7,466 | 21,125 | *17 | — | 2,944 | 14,721 | 2,944 | 14,718 | *4 | 13,726 | 37,507 | 37,487 | *21 | 9,718 | 9,704 | *15 |
| \$20,000 or more | 60,305 | 242,376 | 4,186 | *753 | 13,721 | 132,958 | 13,466 | 132,359 | 580 | 141,435 | 415,900 | 410,625 | 4,766 | 248,093 | 243,579 | 4,011 |
| Returns with per-country limitation | 28,192 | 75,949 | 2,367 | *16 | 3,372 | 29,134 | 3,159 | 28,985 | 148 | 67,285 | 121,019 | 118,244 | 2,515 | 76,350 | 73,866 | 2,230 |
| Returns with overall limitation | 32,113 | 166,426 | 1,820 | *737 | 10,349 | 103,825 | 10,307 | 103,373 | 431 | 74,150 | 294,882 | 292,382 | 2,251 | 171,742 | 169,712 | 1,781 |
| Nontaxable returns, total | 17,588 | 101,077 | 441 | — | 4,848 | 40,352 | 4,838 | 40,238 | 113 | 18,066 | 145,661 | 145,107 | 555 | 55,059 | 54,851 | 208 |
| Returns with per-country limitation | 11,315 | 53,572 | 408 | — | 2,709 | 15,567 | 2,709 | 15,459 | *108 | 11,545 | 69,857 | 69,341 | 516 | 28,107 | 27,927 | 180 |
| Returns with overall limitation | 6,273 | 47,505 | 33 | — | 2,139 | 24,785 | 2,129 | 24,779 | 6 | 6,521 | 75,804 | 75,765 | 39 | 26,952 | 26,923 | 29 |
| Under \$10,000 | 6,232 | 16,375 | *11 | — | 2,265 | 5,253 | 2,265 | 5,203 | *49 | 6,266 | 21,639 | 21,579 | *61 | 2,753 | 2,749 | *4 |
| Returns with per-country limitation | 5,011 | 11,814 | *11 | — | *1,989 | *3,246 | *1,989 | *3,197 | *49 | 5,011 | 15,072 | 15,019 | *61 | 2,101 | 2,097 | *4 |
| Returns with overall limitation | 1,221 | 4,561 | — | — | *276 | *2,007 | *276 | *2,007 | — | 1,255 | 6,567 | 6,567 | — | 652 | 652 | — |
| \$10,000 under \$20,000 | 7,452 | 30,642 | — | — | 1,057 | 12,937 | 1,057 | 12,937 | — | 7,597 | 43,639 | 43,639 | — | 12,817 | 12,817 | — |
| Returns with per-country limitation | 4,193 | 15,932 | — | — | 319 | 5,440 | 319 | 5,440 | — | 4,303 | 21,429 | 21,429 | — | 6,875 | 6,875 | — |
| Returns with overall limitation | 3,259 | 14,710 | — | — | 738 | 7,497 | 738 | 7,497 | — | 3,294 | 22,211 | 22,211 | — | 5,942 | 5,942 | — |
| \$20,000 or more | 3,904 | 54,060 | 430 | — | 1,526 | 22,162 | 1,516 | 22,098 | 64 | 4,203 | 80,382 | 79,888 | 494 | 39,490 | 39,285 | 205 |
| Returns with per-country limitation | 2,111 | 25,826 | 396 | — | 401 | 6,881 | 401 | 6,822 | *59 | 2,231 | 33,356 | 32,901 | 455 | 19,131 | 18,955 | 176 |
| Returns with overall limitation | 1,793 | 28,234 | 33 | — | 1,125 | 15,281 | 1,115 | 15,275 | 6 | 1,972 | 47,026 | 46,987 | 39 | 20,359 | 20,330 | 29 |

* Estimate should be used with caution because of the small number of sample returns on which it was based.

* Less than \$500 per return.

NOTE: Detail may not add to total because of rounding.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 10.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Percent of Taxable Foreign Income to Total Taxable Income

(All figures are estimates based on samples—money amounts are in thousands of dollars)

| Percent of taxable foreign income to total taxable income | Number of returns | Income and taxes from all sources | | | | | | | | | | | | | | | Exemptions | |
|---|-------------------|-----------------------------------|--------------------|------------------------|----------|-------------------------|----------|------------------|--------------------------|------------|----------|-----------------|------------|--|------------------|---------|------------|--|
| | | Adjusted gross income | | | | | | | | | | | | | | | | |
| | | Total | Salaries and wages | Business or profession | | Sales of capital assets | | Dividends | | Royalty | | Estate or trust | | All other sources net income less loss | Total deductions | Number | Amount | |
| | | | | Net profit | Net loss | Net gain | Net loss | Before exclusion | In adjusted gross income | Net income | Net loss | Total profit | Total loss | | | | | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) | (15) | (16) | (17) | | |
| All returns, total | 210,725 | 10,701,592 | 4,435,314 | 726,338 | 87,257 | 769,923 | 50,862 | 2,634,114 | 2,610,763 | 108,189 | 6,169 | 256,307 | 8,188 | 2,138,423 | 2,318,596 | 663,733 | 497,749 | |
| Under 20 percent | 131,060 | 8,276,945 | 2,916,801 | 622,998 | 61,846 | 630,881 | 40,162 | 2,300,472 | 2,282,697 | 93,626 | 6,069 | 195,661 | 7,320 | 1,768,500 | 1,877,852 | 414,961 | 311,220 | |
| 20 percent under 40 percent | 13,882 | 525,502 | 209,473 | 33,411 | 5,123 | 41,437 | 2,896 | 115,171 | 114,164 | 4,199 | *3 | 12,276 | 662 | 128,329 | 124,551 | 36,110 | 27,083 | |
| 40 percent under 60 percent | 7,563 | 260,123 | 128,865 | 6,728 | 4,042 | 21,089 | 968 | 60,140 | 59,339 | 5,123 | *64 | 2,812 | 25 | 49,087 | 60,191 | 23,074 | 17,306 | |
| 60 percent under 80 percent | 8,942 | 340,264 | 210,839 | 14,944 | 3,498 | 8,769 | 2,284 | 53,243 | 52,238 | 1,269 | *17 | 8,259 | — | 65,929 | 58,952 | 31,398 | 23,549 | |
| 80 percent under 100 percent | 9,799 | 411,261 | 280,819 | 18,127 | 1,452 | 16,005 | 1,911 | 43,292 | 42,328 | 1,296 | *4 | 8,411 | 11 | 58,745 | 45,972 | 29,825 | 22,369 | |
| 100 percent or more | 39,472 | 886,544 | 688,238 | 30,131 | 11,295 | 51,237 | 2,641 | 61,769 | 59,972 | 2,676 | *11 | 28,836 | 170 | 67,743 | 151,027 | 128,343 | 96,207 | |
| No percent computed | *7 | *953 | *278 | — | — | *506 | — | *27 | *25 | — | — | *53 | — | *90 | *52 | *22 | *17 | |
| Taxable returns, total | 192,659 | 10,377,303 | 4,163,615 | 714,553 | 79,219 | 764,867 | 49,529 | 2,612,448 | 2,589,512 | 107,156 | 6,146 | 244,778 | 8,073 | 2,114,585 | 2,254,706 | 609,673 | 457,224 | |
| Under 20 percent | 130,925 | 8,268,491 | 2,909,602 | 622,399 | 61,779 | 630,588 | 40,156 | 2,297,695 | 2,279,939 | 93,580 | 6,057 | 195,541 | 7,320 | 1,770,968 | 1,874,304 | 414,539 | 310,903 | |
| 20 percent under 40 percent | 13,874 | 524,806 | 208,435 | 33,261 | 5,041 | 41,432 | 2,892 | 114,728 | 113,721 | 4,199 | *3 | 12,258 | *662 | 129,197 | 124,114 | 36,083 | 27,062 | |
| 40 percent under 60 percent | 7,561 | 260,023 | 128,816 | 6,728 | 4,042 | 21,089 | 968 | 60,139 | 59,339 | 5,123 | *64 | 2,812 | *25 | 49,031 | 60,191 | 23,066 | 17,300 | |
| 60 percent under 80 percent | 8,888 | 338,202 | 209,346 | 14,944 | 3,498 | 8,648 | 2,264 | 51,968 | 50,965 | 1,269 | *17 | 8,250 | — | 66,691 | 58,363 | 31,189 | 23,382 | |
| 80 percent under 100 percent | 9,718 | 407,159 | 278,033 | 17,024 | 1,452 | 15,983 | 1,903 | 42,637 | 41,680 | 1,296 | *4 | 8,410 | *11 | 59,127 | 45,392 | 29,494 | 22,121 | |
| 100 percent or more | 21,686 | 577,669 | 429,105 | 20,195 | 3,407 | 46,622 | 1,346 | 45,255 | 43,842 | 1,689 | — | 17,454 | *56 | 39,480 | 92,290 | 75,280 | 56,431 | |
| No percent computed | *7 | *953 | *278 | — | — | *506 | — | *27 | *25 | — | — | *53 | — | *90 | *52 | *22 | *17 | |
| Nontaxable returns, total | 18,066 | 324,290 | 271,699 | 11,786 | 8,038 | 5,056 | 1,333 | 21,667 | 21,252 | 1,034 | *23 | 11,530 | 114 | 23,838 | 63,890 | 54,060 | 40,524 | |
| Under 20 percent | 135 | 8,455 | 7,200 | *598 | *68 | *293 | *6 | 2,777 | 2,758 | *46 | *12 | *120 | — | —2,468 | 3,548 | 422 | 317 | |
| 20 percent under 60 percent | *10 | *798 | *1,087 | *150 | *82 | *5 | *4 | *444 | *443 | — | — | *18 | — | *813 | *437 | *35 | *26 | |
| 60 percent under 80 percent | *54 | *2,062 | *1,493 | — | — | *121 | *20 | *1,276 | *1,272 | — | — | *9 | — | *762 | *589 | *209 | *157 | |
| 80 percent under 100 percent | 81 | 4,102 | 2,786 | *1,102 | — | *22 | *8 | *656 | *649 | — | — | — | — | —382 | 580 | 331 | 248 | |
| 100 percent or more | 17,786 | 308,874 | 259,133 | 9,935 | 7,887 | 4,615 | 1,295 | 16,514 | 16,130 | 987 | *11 | 11,382 | 114 | 28,264 | 58,737 | 53,063 | 39,776 | |
| No percent computed | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |

| Percent of taxable foreign income to total taxable income | Income and taxes from all sources—Continued | | | | | | | | Foreign income and taxes | | | | | | |
|---|---|--------------------------------|--|----------------------------|---------------|-------------------------------|------------------------------------|-----------------------|--------------------------|-----------|--|-----------|---------------------|-------|--------|
| | Taxable income | U.S. income tax before credits | U.S. income tax against which foreign tax credit was allowed | Foreign tax credit claimed | Other credits | U.S. income tax after credits | Additional tax for tax preferences | Total U.S. income tax | Gross income | | | | | | |
| | | | | | | | | | Total | | Other than DISC dividends, certain interest and foreign oil-related income | | | | |
| | | | | | | | | | Number of returns | Amount | Total | Dividends | Rents and royalties | | |
| | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | (30) | (31) | (32) |
| All returns, total | 7,885,244 | 3,052,630 | 3,039,241 | 328,927 | 51,859 | 2,671,845 | 18,606 | 2,690,451 | 210,725 | 1,855,461 | 1,822,863 | 102,785 | 231,950 | 6,894 | 34,095 |
| Under 20 percent | 6,087,873 | 2,479,714 | 2,471,441 | 27,755 | 41,339 | 2,410,620 | 13,633 | 2,424,253 | 131,060 | 180,939 | 171,208 | 86,610 | 85,744 | 2,186 | 8,181 |
| 20 percent under 40 percent | 373,869 | 126,629 | 125,614 | 19,785 | 2,570 | 104,275 | 1,384 | 105,659 | 13,882 | 120,182 | 115,079 | 5,996 | 33,257 | 793 | 7,037 |
| 40 percent under 60 percent | 182,627 | 62,090 | 61,588 | 18,971 | 1,678 | 41,440 | 580 | 42,020 | 7,563 | 108,577 | 105,013 | 1,816 | 21,773 | 2,158 | 4,704 |
| 60 percent under 80 percent | 257,763 | 79,290 | 78,710 | 37,179 | 1,165 | 40,947 | *230 | 41,176 | 8,942 | 205,515 | 201,721 | 2,959 | 27,799 | 62 | 3,317 |
| 80 percent under 100 percent | 342,920 | 118,950 | 118,430 | 79,013 | 1,274 | 38,663 | 251 | 38,914 | 9,799 | 341,762 | 339,354 | 2,832 | 31,224 | 164 | 3,832 |
| 100 percent or more | 639,308 | 185,377 | 182,878 | 146,223 | 3,831 | 35,323 | 2,527 | 37,850 | 39,472 | 898,025 | 890,066 | 2,565 | 32,111 | 1,531 | 7,024 |
| No percent computed | *884 | *580 | *580 | *1 | *1 | *578 | — | *578 | *7 | *461 | *423 | *7 | *41 | — | — |
| Taxable returns, total | 7,665,369 | 2,994,994 | 2,982,525 | 274,270 | 48,880 | 2,671,845 | 18,606 | 2,690,451 | 192,659 | 1,520,493 | 1,490,320 | 101,095 | 222,559 | 5,780 | 30,330 |
| Under 20 percent | 6,083,283 | 2,478,273 | 2,470,010 | 27,694 | 39,959 | 2,410,620 | 13,633 | 2,424,253 | 130,925 | 180,763 | 171,032 | 86,512 | 85,657 | 2,186 | 8,181 |
| 20 percent under 40 percent | 373,629 | 126,564 | 125,550 | 19,769 | 2,521 | 104,275 | 1,384 | 105,659 | 13,874 | 120,103 | 114,999 | 5,992 | 33,235 | 793 | 7,037 |
| 40 percent under 60 percent | 182,532 | 62,059 | 61,557 | 18,940 | 1,678 | 41,440 | 580 | 42,020 | 7,561 | 108,527 | 104,964 | 1,816 | 21,773 | 2,158 | 4,704 |
| 60 percent under 80 percent | 256,447 | 78,946 | 78,371 | 36,916 | 1,083 | 40,947 | *230 | 41,176 | 8,888 | 204,500 | 200,705 | 2,952 | 27,763 | 62 | 3,317 |
| 80 percent under 100 percent | 339,646 | 117,888 | 117,350 | 77,980 | 1,244 | 38,663 | 251 | 38,914 | 9,718 | 337,190 | 334,783 | 2,829 | 30,716 | 164 | 3,832 |
| 100 percent or more | 428,948 | 130,685 | 129,107 | 92,969 | 2,393 | 35,323 | 2,527 | 37,850 | 21,686 | 568,949 | 563,413 | 987 | 23,754 | 417 | 3,260 |
| No percent computed | *884 | *580 | *580 | *1 | *1 | *578 | — | *578 | *7 | *461 | *423 | *7 | *41 | — | — |
| Nontaxable returns, total | 219,874 | 57,636 | 56,716 | 54,657 | 2,979 | — | — | — | 18,066 | 334,968 | 332,544 | 1,690 | 9,391 | 1,114 | 3,764 |
| Under 20 percent | 4,590 | 1,441 | 1,431 | 61 | 1,380 | — | — | — | 135 | 176 | 176 | 98 | 88 | — | — |
| 20 percent under 60 percent | *334 | *96 | *95 | *47 | *49 | — | — | — | *10 | *128 | *128 | *4 | 22 | — | — |
| 60 percent under 80 percent | *1,316 | *344 | *339 | *263 | *81 | — | — | — | *54 | *1,016 | *1,016 | *7 | *36 | — | — |
| 80 percent under 100 percent | 3,274 | 1,062 | 1,080 | 1,032 | 30 | — | — | — | 81 | 4,572 | 4,571 | *3 | *508 | — | — |
| 100 percent or more | 210,360 | 54,692 | 53,770 | 53,253 | 1,438 | — | — | — | 17,786 | 329,076 | 326,653 | 1,578 | 8,737 | 1,114 | 3,764 |
| No percent computed | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 10.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Percent of Taxable Foreign Income to Total Taxable Income—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Percent of taxable foreign income to total taxable income | Foreign income and taxes—Continued | | | | | | | | | | | | | | | | |
|---|--|-----------|--|--------|-----------------------------------|-----------------|--------------|-------------------|--------|-------------------|--|-------------------|---------|-----------------------------------|----------------------------|----------------------------|--|
| | Gross income—Continued | | | | | | | | | | Deductions | | | | | | |
| | Other than DISC dividends, certain interest and foreign oil-related income—Continued | | | | | | | | | | On income other than DISC dividends, certain interest and foreign oil-related income | | | | | | |
| | Salaries and wages | | Gross gain from sale of capital assets | | Business or professional expenses | Estate or trust | Other income | Number of returns | Amount | Number of returns | Amount | Total | | Business or professional expenses | Rent and royalty expenses | | Other expenses directly allocable to specific income items |
| | Number of returns | Amount | Number of returns | Amount | | | | | | | | Number of returns | Amount | | Depreciation and depletion | Repairs and other expenses | |
| | (33) | (34) | (35) | (36) | (37) | (38) | (39) | (40) | (41) | (42) | (43) | (44) | (45) | (46) | (47) | (48) | (49) |
| All returns, total | 53,635 | 1,117,308 | 4,078 | 80,532 | 86,105 | 32,720 | 240,154 | 12,473 | 31,423 | 58,859 | 193,756 | 58,050 | 190,403 | 17,709 | 1,907 | 5,659 | 47,324 |
| Under 20 percent | 4,048 | 11,917 | 2,445 | 4,182 | 8,152 | 2,858 | 50,174 | 8,032 | 9,684 | 16,854 | 15,682 | 16,433 | 15,412 | 2,871 | 633 | 1,975 | 1,722 |
| 20 percent under 40 percent | 2,339 | 27,728 | 219 | 2,287 | *784 | *1,020 | 42,957 | 1,013 | 5,096 | 3,129 | 13,751 | 2,833 | 13,174 | *417 | *285 | *464 | 3,450 |
| 40 percent under 60 percent | 3,212 | 53,950 | 264 | 4,392 | *3,137 | *501 | 16,555 | 325 | 3,564 | 4,964 | 15,572 | 4,962 | 14,827 | *94 | *514 | *1,589 | 2,302 |
| 60 percent under 80 percent | 5,727 | 130,620 | 207 | 3,805 | 8,845 | *38 | 27,298 | 362 | 3,203 | 3,744 | 22,588 | 3,743 | 21,753 | 1,234 | *41 | *183 | 10,017 |
| 80 percent under 100 percent | 6,814 | 240,216 | 254 | 12,204 | 16,548 | *3,920 | 31,409 | 646 | 2,408 | 6,741 | 29,481 | 6,730 | 29,421 | 3,101 | 206 | 222 | 8,673 |
| 100 percent or more | 31,489 | 652,689 | 683 | 53,552 | 48,639 | 24,384 | 71,668 | 2,088 | 7,430 | 23,420 | 98,070 | 23,342 | 95,204 | 9,992 | 1,227 | 21,154 | |
| No percent computed | *6 | *188 | *6 | *110 | — | — | *84 | *7 | *38 | *7 | *612 | *7 | *611 | — | — | — | *6 |
| Taxable returns, total | 41,089 | 873,811 | 3,812 | 73,008 | 64,339 | 23,024 | 203,248 | 11,613 | 28,998 | 48,009 | 153,595 | 47,240 | 150,805 | 15,399 | 1,831 | 5,067 | 40,922 |
| Under 20 percent | 4,014 | 11,833 | 2,445 | 4,182 | 8,152 | 2,858 | 50,170 | 8,032 | 9,684 | 16,848 | 16,427 | 15,411 | 15,411 | 2,871 | 633 | 1,975 | 1,722 |
| 20 percent under 40 percent | 2,339 | 27,728 | 215 | 2,286 | *740 | *1,020 | 42,954 | 1,013 | 5,096 | 3,125 | 13,743 | 2,829 | 13,165 | *417 | *285 | *464 | 3,450 |
| 40 percent under 60 percent | 3,210 | 53,901 | 264 | 4,392 | *3,137 | *501 | 16,555 | 325 | 3,564 | 4,962 | 15,566 | 4,960 | 14,822 | *94 | *514 | *1,589 | 2,297 |
| 60 percent under 80 percent | 5,716 | 130,237 | 207 | 3,805 | 8,845 | *29 | 26,710 | 362 | 3,203 | 3,737 | 22,578 | 3,736 | 21,743 | 1,234 | *41 | *183 | 10,017 |
| 80 percent under 100 percent | 6,744 | 237,975 | 254 | 12,204 | 14,729 | *3,920 | 31,406 | 642 | 2,407 | 6,679 | 28,704 | 6,668 | 28,644 | 2,549 | 206 | 222 | 8,673 |
| 100 percent or more | 19,060 | 411,949 | 421 | 46,029 | 28,736 | *14,697 | 35,369 | 1,232 | 5,006 | 12,651 | 56,711 | 12,613 | 56,409 | 8,234 | 152 | 835 | 14,757 |
| No percent computed | *6 | *188 | *6 | *110 | — | — | *84 | *7 | *38 | *7 | *612 | *7 | *611 | — | — | — | *6 |
| Nontaxable returns, total | 12,546 | 243,497 | 266 | 7,524 | 21,766 | 9,696 | 36,906 | 860 | 2,425 | 10,850 | 40,161 | 10,810 | 39,597 | 2,310 | 76 | 592 | 6,403 |
| Under 20 percent | *36 | *133 | — | — | — | — | — | — | — | — | *1 | *6 | *6 | — | — | — | — |
| 20 percent under 40 percent | *11 | *383 | — | — | — | — | — | — | — | — | *13 | *6 | *13 | — | — | — | *5 |
| 40 percent under 60 percent | 70 | 2,240 | — | — | — | — | — | — | — | — | *10 | *7 | *10 | — | — | — | — |
| 60 percent under 80 percent | 12,429 | 240,740 | 262 | 7,523 | 19,903 | *9,687 | 36,298 | 856 | 2,424 | 10,769 | 39,359 | 10,729 | 38,795 | 1,758 | 76 | 592 | 6,397 |
| No percent computed | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — |

| Percent of taxable foreign income to total taxable income | Foreign income and taxes—Continued | | | | | | | | | | | | | | | | | |
|---|---|--|---------------------|--------|----------------------------|-----------|--|-----------|-------------------|--------|------------------------------------|---------|--|--------|--------|-----------------------------|-------|---------------------------------------|
| | Deductions—Continued | | | | Taxable income (less loss) | | | | | | Foreign taxes available for credit | | | | | | | |
| | | | | | | | | | | | Foreign taxes paid or accrued | | | | | | | |
| | On income other than DISC dividends certain interest and foreign oil-related income—Continued | | On certain interest | | Total | | Other than DISC dividends, certain interest and foreign oil-related income | | Certain interest | | Total | | On income other than DISC dividends, certain interest and foreign oil-related income | | | | | |
| | Expenses not directly allocable to specific income items | Gross capital loss and other losses from foreign sources | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount | Total | Taxes withheld on dividends | | Taxes withheld on rents and royalties |
| | (50) | (51) | (52) | (53) | (54) | (55) | (56) | (57) | (58) | (59) | (60) | (61) | (62) | (63) | (64) | (65) | (66) | |
| All returns, total | 109,167 | 8,636 | 3,103 | 3,215 | 210,725 | 1,661,700 | 203,400 | 1,632,456 | 12,439 | 28,207 | 208,617 | 439,515 | 433,888 | 99,537 | 39,813 | 4,415 | 3,982 | |
| Under 20 percent | 7,393 | 818 | 824 | 270 | 131,060 | 165,256 | 124,609 | 155,796 | 8,032 | 9,414 | 129,875 | 28,845 | 27,217 | 85,298 | 12,416 | 1,451 | 544 | |
| 20 percent under 40 percent | 8,386 | *172 | 426 | 577 | 13,862 | 106,430 | 13,157 | 101,904 | 1,013 | 4,519 | 13,812 | 24,466 | 23,726 | 5,905 | 5,137 | 589 | 984 | |
| 40 percent under 60 percent | 9,681 | *648 | 225 | 745 | 7,563 | 93,004 | 7,542 | 90,185 | 325 | 2,819 | 7,319 | 21,119 | 20,493 | 1,735 | 3,465 | *2,119 | *675 | |
| 60 percent under 80 percent | 9,667 | 611 | 231 | 701 | 8,942 | 182,927 | 8,941 | 179,966 | 362 | 2,502 | 8,829 | 42,344 | 41,602 | 2,809 | 5,909 | *7 | *393 | |
| 80 percent under 100 percent | 16,713 | 506 | 506 | 60 | 9,799 | 312,280 | 9,757 | 309,932 | 646 | 2,348 | 9,697 | 94,782 | 94,399 | 1,865 | 6,258 | *48 | *537 | |
| 100 percent or more | 57,234 | 5,370 | 884 | 862 | 39,472 | 801,954 | 39,387 | 794,860 | 2,054 | 6,569 | 39,078 | 227,802 | 226,293 | 1,918 | 6,622 | 201 | 849 | |
| No percent computed | *93 | *512 | *7 | *1 | *7 | *151 | *7 | *188 | *7 | *37 | *7 | *158 | *157 | *7 | *7 | — | — | |
| Taxable returns, total | 81,022 | 6,565 | 2,938 | 2,652 | 192,659 | 1,366,892 | 185,375 | 1,339,509 | 11,579 | 26,347 | 190,635 | 334,206 | 329,020 | 98,112 | 36,504 | 4,318 | 3,500 | |
| Under 20 percent | 7,392 | 818 | 824 | 270 | 130,925 | 165,081 | 124,474 | 155,621 | 8,032 | 9,414 | 129,740 | 28,751 | 27,124 | 85,200 | 12,403 | 1,451 | 544 | |
| 20 percent under 40 percent | 8,378 | *172 | 426 | 577 | 13,874 | 106,360 | 13,149 | 101,834 | 1,013 | 4,519 | 13,804 | 24,255 | 23,515 | 5,901 | 5,134 | 589 | 984 | |
| 40 percent under 60 percent | 9,680 | *648 | 225 | 745 | 7,561 | 92,960 | 7,540 | 90,141 | 325 | 2,819 | 7,317 | 21,085 | 20,460 | 1,735 | 3,465 | *2,119 | *675 | |
| 60 percent under 80 percent | 9,658 | 611 | 231 | 701 | 8,888 | 181,921 | 8,887 | 178,961 | 362 | 2,502 | 8,775 | 41,945 | 41,204 | 2,802 | 5,904 | *7 | *393 | |
| 80 percent under 100 percent | 16,489 | 506 | 506 | 60 | 9,718 | 308,486 | 9,676 | 306,138 | 642 | 2,347 | 9,616 | 93,245 | 92,662 | 1,862 | 6,085 | *48 | *537 | |
| 100 percent or more | 29,333 | 3,298 | 719 | 298 | 21,666 | 512,236 | 21,642 | 507,002 | 1,198 | 4,709 | 21,376 | 124,766 | 123,699 | 605 | 3,508 | 104 | 367 | |
| No percent computed | *93 | *512 | *7 | *1 | *7 | *151 | *7 | *188 | *7 | *37 | *7 | *158 | *157 | *7 | *7 | — | — | |
| Nontaxable returns, total | 28,145 | 2,071 | 165 | 564 | 18,066 | 294,808 | 18,025 | 292,947 | 860 | 1,861 | 17,982 | 105,309 | 104,868 | 1,425 | 3,309 | *97 | *482 | |
| Under 20 percent | *1 | — | — | — | 135 | 175 | 135 | 175 | — | — | 135 | 94 | 94 | 98 | 13 | — | — | |
| 20 percent under 60 percent | *8 | — | — | — | *10 | *115 | *10 | *115 | — | — | *245 | *245 | *4 | *3 | — | — | — | |
| 60 percent under 80 percent | *10 | — | — | — | *54 | *1,006 | *54 | *1,006 | — | — | *54 | *399 | *399 | *7 | *5 | — | — | |
| 80 percent under 100 percent | *225 | — | — | — | 81 | 3,795 | 81 | 3,794 | *4 | *1 | 81 | 1,537 | 1,537 | *3 | *173 | — | — | |
| 100 percent or more | 27,901 | 2,071 | 165 | 564 | 17,786 | 289,718 | 17,745 | 287,858 | 856 | 1,860 | 17,702 | 103,035 | 102,594 | 1,313 | 3,114 | *97 | *482 | |
| No percent computed | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED
Table 10.—Sources of Income, Deductions and Tax Items, and Foreign Income, Taxes and Credit, by Percent of Taxable Foreign Income to Total Taxable Income—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Percent of taxable foreign income to total taxable income | Foreign income and taxes—Continued | | | | | | | | | | | | | | | | |
|---|--|---------|---------------------|-------------------------------------|-------------------|---------|--|---------|---------------------|-------------------|---------|--|-------|---------------------|---|-----------------------------|--|
| | Foreign taxes available for credit—Continued | | | | | | | | | | | | | | | Foreign tax credit computed | |
| | Foreign taxes paid or accrued—Continued | | On certain interest | Reduction for certain foreign taxes | Carryover | | | | Total foreign taxes | | | | Total | For taxes on— | | | |
| | | | | | Total | | On income other than DISC dividends, certain interest and foreign oil-related income | | On certain interest | Total | | On income other than DISC dividends, certain interest and foreign oil-related income | | On certain interest | Income other than DISC dividends, certain interest and foreign oil-related income | Certain interest | |
| | Number of returns | Amount | | | Number of returns | Amount | Number of returns | Amount | | | | | | | | | |
| | | | | | | | | | | Number of returns | Amount | | | | | | |
| | (67) | (68) | (69) | (70) | (71) | (72) | (73) | (74) | (75) | (76) | (77) | (78) | (79) | (80) | (81) | (82) | |
| All returns, total | 105,601 | 390,093 | 5,138 | *753 | 26,950 | 194,408 | 26,685 | 193,690 | 698 | 210,725 | 633,176 | 626,831 | 5,836 | 329,589 | 324,516 | 4,569 | |
| Under 20 percent | 40,544 | 14,258 | 1,620 | *25 | 6,130 | 10,287 | 5,963 | 10,214 | 72 | 131,060 | 39,108 | 37,408 | 1,692 | 27,803 | 26,177 | 1,618 | |
| 20 percent under 40 percent | 7,809 | 17,605 | 736 | *3 | 472 | 3,391 | 472 | 3,391 | — | 13,882 | 27,853 | 27,114 | 736 | 19,800 | 19,168 | 630 | |
| 40 percent under 60 percent | 3,840 | 16,353 | 626 | *511 | 2,162 | 11,422 | 2,161 | 11,318 | *104 | 7,563 | 32,031 | 31,301 | 730 | 19,008 | 18,367 | 641 | |
| 60 percent under 80 percent | 6,929 | 35,301 | 512 | *12 | 1,358 | 17,289 | 1,316 | 17,035 | *234 | 8,942 | 59,621 | 58,626 | 746 | 37,179 | 36,477 | 452 | |
| 80 percent under 100 percent | 8,074 | 87,603 | 383 | — | 4,861 | 41,907 | 4,852 | 41,871 | 36 | 9,799 | 136,690 | 136,272 | 419 | 79,117 | 78,746 | 371 | |
| 100 percent or more | 38,398 | 218,822 | 1,262 | *201 | 11,961 | 109,578 | 11,915 | 109,329 | 250 | 39,472 | 337,181 | 335,422 | 1,511 | 146,680 | 145,580 | 856 | |
| No percent computed | *7 | *150 | *1 | — | *6 | *533 | *6 | *532 | *1 | *7 | *691 | *689 | *2 | *1 | — | *1 | |
| Taxable returns, total | 88,013 | 289,016 | 4,697 | *753 | 22,102 | 154,056 | 21,847 | 153,452 | 584 | 192,659 | 487,514 | 481,724 | 5,281 | 274,530 | 269,665 | 4,361 | |
| Under 20 percent | 40,507 | 14,177 | 1,620 | *25 | 6,128 | 10,286 | 5,961 | 10,214 | 72 | 130,925 | 39,014 | 37,313 | 1,692 | 27,742 | 26,116 | 1,618 | |
| 20 percent under 40 percent | 7,805 | 17,397 | 736 | *3 | 471 | 3,389 | 471 | 3,389 | — | 13,874 | 27,641 | 26,901 | 736 | 19,784 | 19,152 | 630 | |
| 40 percent under 60 percent | 3,838 | 16,320 | 626 | *511 | 2,162 | 11,422 | 2,161 | 11,318 | *104 | 7,561 | 31,997 | 31,267 | 730 | 18,977 | 18,336 | 641 | |
| 60 percent under 80 percent | 6,882 | 34,907 | 512 | *12 | 1,323 | 16,685 | 1,281 | 16,431 | *234 | 8,888 | 58,618 | 57,623 | 746 | 36,916 | 36,214 | 452 | |
| 80 percent under 100 percent | 7,996 | 86,240 | 382 | — | 4,830 | 41,412 | 4,821 | 41,376 | 36 | 9,718 | 134,658 | 134,240 | 418 | 78,083 | 77,712 | 371 | |
| 100 percent or more | 20,978 | 119,824 | 821 | *201 | 7,182 | 70,329 | 7,146 | 70,192 | 137 | 21,686 | 194,896 | 193,691 | 957 | 93,028 | 92,135 | 649 | |
| No percent computed | *7 | *150 | *1 | — | *6 | *533 | *6 | *532 | *1 | *7 | *691 | *689 | *2 | *1 | — | *1 | |
| Nontaxable returns, total | 17,588 | 101,077 | 441 | — | 4,848 | 40,352 | 4,838 | 40,238 | 113 | 18,066 | 145,661 | 145,107 | 555 | 55,059 | 54,851 | 208 | |
| Under 20 percent | *37 | *80 | — | — | **3 | **3 | **3 | **3 | — | 135 | 94 | 94 | — | 61 | 61 | — | |
| 20 percent under 60 percent | *6 | *242 | — | — | ** | ** | ** | ** | — | *10 | *247 | *247 | — | *48 | *48 | — | |
| 60 percent under 80 percent | *47 | *393 | — | — | *35 | *604 | *35 | *604 | — | *54 | *1,003 | *1,003 | — | *263 | *263 | — | |
| 80 percent under 100 percent | 78 | 1,363 | — | — | *31 | *495 | *31 | *495 | — | 81 | 2,032 | 2,032 | *1 | 1,034 | 1,034 | — | |
| 100 percent or more | 17,420 | 98,997 | 441 | — | 4,779 | 39,250 | 4,769 | 39,137 | 113 | 17,786 | 142,285 | 141,731 | 554 | 53,653 | 53,445 | 208 | |
| No percent computed | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — | |

*Estimate should be used with caution because of the small number of sample returns on which it was based.

**Identifies (a) size for which data were deleted because of the small number of sample returns on which they were based and (b) combined frequencies or amounts that include the data deleted from another size class.

*Less than \$500 per return.

Note: Detail may not add to total because of rounding.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 11.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid

(All figures are estimates based on samples—money amounts are in thousands of dollars)

| Selected country | Income and taxes from all sources | | | | | | | | | | Coefficient of variation for amount (Percent) ¹ | |
|---|-----------------------------------|-----------------------|----------------|--|----------------------------|-----------------------------------|------------|---|-------------------------------|-----------|--|----------------------------|
| | Number of returns | Adjusted gross income | Taxable income | U.S. income tax against which foreign tax credit was allowed | Foreign tax credit claimed | Gross income from foreign sources | Deductions | Taxable income less loss from foreign sources | Foreign taxes paid or accrued | Carryover | Adjusted gross income | Foreign tax credit claimed |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (a) | (b) |
| All geographic areas ² | 210,725 | 10,701,592 | 7,885,244 | 3,039,241 | 328,927 | 1,855,466 | 193,757 | 1,661,700 | 439,515 | 194,408 | 2.21 | 3.34 |
| Canada | 88,013 | 4,888,147 | 3,571,705 | 1,478,458 | 73,371 | 455,558 | 51,628 | 403,927 | 103,059 | 29,995 | 3.22 | 7.12 |
| Latin America, total | 16,780 | 699,399 | 536,154 | 195,079 | 47,104 | 269,674 | 27,079 | 242,594 | 61,155 | 32,656 | 8.03 | 8.34 |
| Mexico | 9,604 | 366,995 | 274,199 | 97,929 | 18,564 | 102,003 | 6,607 | 95,396 | 24,375 | 9,713 | 12.32 | 18.20 |
| Central America, total | 901 | 75,778 | 60,894 | 27,456 | 1,665 | 11,307 | 1,968 | 11,307 | 1,798 | *837 | 13.91 | 19.32 |
| Guatemala | 86 | 3,762 | 2,958 | 1,202 | 395 | 2,221 | *19 | 2,202 | 385 | *10 | 24.95 | 20.33 |
| Panama (excluding Canal Zone) | 628 | 60,201 | 48,881 | 22,751 | 827 | 5,478 | 553 | 4,925 | 960 | *408 | 15.85 | 29.91 |
| Caribbean countries, total | 498 | 25,406 | 17,673 | 6,860 | 1,727 | 10,678 | 818 | 9,860 | 2,582 | 2,679 | 19.36 | 18.48 |
| Jamaica | 149 | 11,076 | 8,180 | 3,579 | 804 | 3,464 | 383 | 3,082 | 1,497 | *462 | 18.96 | 24.56 |
| Trinidad and Tobago | 90 | 4,235 | 3,426 | 1,491 | 567 | 3,016 | *31 | 2,984 | 809 | *1,629 | 37.48 | 34.23 |
| South America, total | 6,676 | 297,386 | 236,744 | 84,651 | 27,945 | 159,905 | 20,277 | 139,628 | 35,051 | 20,463 | 11.15 | 7.97 |
| Argentina | 208 | 10,431 | 7,166 | 2,277 | 946 | 4,967 | 567 | 4,400 | 615 | *3,126 | 40.03 | 39.39 |
| Brazil | 2,039 | 94,335 | 78,230 | 28,117 | 13,337 | 64,959 | 7,316 | 57,643 | 16,660 | 6,257 | 8.11 | 9.59 |
| Colombia | 593 | 17,820 | 13,820 | 4,601 | 1,006 | 8,063 | 1,068 | 6,995 | 2,125 | 1,659 | 33.76 | 26.83 |
| Ecuador | 170 | 5,504 | 4,587 | 1,538 | 963 | 4,083 | *235 | 3,848 | 1,781 | *1,155 | 31.37 | 26.07 |
| Peru | 875 | 32,653 | 21,169 | 7,603 | 2,782 | 20,292 | 3,929 | 16,363 | 5,942 | *715 | 22.04 | 35.88 |
| Venezuela | 2,743 | 134,651 | 109,781 | 39,517 | 8,524 | 55,794 | 7,288 | 48,505 | 7,654 | 5,554 | 22.71 | 16.52 |
| Other Western Hemisphere, total | 261 | 20,034 | 12,655 | 5,297 | 1,625 | 9,764 | 2,104 | 7,660 | 2,318 | 1,961 | 17.85 | 17.77 |
| Netherlands Antilles | 118 | 8,030 | 6,032 | 2,298 | 615 | 2,843 | 163 | 2,680 | 1,223 | *1,440 | 36.58 | 25.66 |
| Europe, total | 50,531 | 2,935,473 | 2,153,623 | 852,711 | 129,383 | 652,410 | 75,644 | 576,764 | 167,432 | 71,710 | 3.94 | 3.72 |
| Common Market countries, total | 39,214 | 2,310,278 | 1,700,992 | 676,520 | 108,850 | 550,960 | 64,898 | 486,060 | 141,342 | 58,523 | 4.21 | 4.23 |
| Belgium | 2,807 | 167,915 | 131,487 | 48,174 | 19,324 | 81,424 | 6,320 | 75,104 | 25,760 | 12,431 | 8.40 | 7.02 |
| Denmark | 141 | 6,636 | 5,362 | 2,041 | 915 | 3,550 | 350 | 3,200 | 1,215 | 465 | 28.88 | 22.18 |
| France (including Andorra) | 3,309 | 251,950 | 191,904 | 78,657 | 24,972 | 114,426 | 16,302 | 98,123 | 26,653 | 10,334 | 12.11 | 10.36 |
| Ireland | 72 | 4,610 | 3,658 | 1,478 | 325 | 2,086 | *374 | 1,713 | 289 | *105 | 22.48 | 22.81 |
| Italy (including San Marino) | 1,753 | 140,785 | 95,904 | 39,526 | 4,159 | 23,674 | 3,255 | 20,418 | 5,343 | 2,068 | 18.84 | 13.90 |
| Luxembourg | 220 | 10,053 | 8,049 | 2,659 | 1,772 | 8,321 | 749 | 7,572 | 2,851 | 3,324 | 24.75 | 29.51 |
| Netherlands | 16,493 | 1,225,459 | 901,291 | 378,757 | 14,998 | 92,988 | 10,488 | 82,500 | 18,123 | 6,333 | 5.49 | 7.99 |
| United Kingdom | 14,475 | 713,682 | 501,965 | 195,169 | 41,438 | 227,928 | 33,153 | 194,773 | 53,621 | 13,815 | 8.22 | 7.35 |
| West Germany | 4,010 | 249,997 | 189,182 | 75,419 | 25,499 | 103,793 | 14,434 | 89,359 | 35,195 | 19,758 | 7.56 | 7.67 |
| Other West European countries, total | 13,553 | 828,906 | 597,544 | 237,215 | 30,648 | 157,481 | 23,128 | 134,353 | 37,678 | 19,609 | 8.57 | 5.58 |
| Austria | 2,912 | 59,269 | 40,870 | 13,378 | 2,355 | 13,832 | 2,913 | 10,919 | 3,161 | 3,910 | 55.19 | 24.95 |
| Greece | 78 | 5,778 | 4,909 | 2,121 | 601 | 3,223 | 1,006 | 2,216 | 676 | *621 | 17.58 | 21.92 |
| Norway | 192 | 6,764 | 5,255 | 1,655 | 1,220 | 5,315 | 403 | 4,912 | 2,480 | 1,064 | 24.36 | 18.38 |
| Portugal | 146 | 9,080 | 7,062 | 3,011 | 535 | 2,774 | 522 | 2,253 | 801 | *358 | 46.99 | 25.70 |
| Spain | 1,192 | 91,210 | 69,031 | 26,963 | 6,145 | 28,421 | 5,372 | 23,048 | 6,586 | 1,802 | 13.14 | 7.03 |
| Sweden | 199 | 18,431 | 12,212 | 5,527 | 1,642 | 7,097 | 1,042 | 6,055 | 3,070 | 1,354 | 17.82 | 19.43 |
| Switzerland | 8,873 | 658,828 | 474,369 | 193,278 | 21,644 | 107,794 | 14,512 | 93,282 | 24,496 | 10,690 | 9.37 | 6.95 |
| East European countries | 61 | 4,451 | 3,351 | 1,506 | 178 | 1,060 | *162 | 898 | 268 | — | 30.96 | 67.52 |
| Africa, total | 33,015 | 1,725,465 | 1,280,355 | 477,199 | 35,241 | 218,189 | 16,966 | 201,221 | 42,106 | 17,804 | 5.63 | 12.00 |
| North Africa, total | 1,292 | 48,721 | 32,872 | 9,540 | 6,023 | 30,267 | 1,658 | 28,609 | 10,214 | 7,115 | 16.38 | 14.31 |
| Egypt | 148 | 4,212 | 3,719 | 1,005 | 857 | 4,020 | *249 | 3,772 | 1,380 | *236 | 36.35 | 29.54 |
| Libya | 994 | 42,400 | 27,646 | 8,189 | 4,962 | 24,310 | 1,324 | 22,986 | 8,333 | 6,831 | 18.32 | 16.50 |
| East Africa | 154 | 3,234 | 2,727 | 666 | 500 | 3,350 | *166 | 3,184 | *368 | *699 | 43.20 | 48.61 |
| West and Central African countries, total | 1,544 | 63,244 | 45,624 | 14,641 | 5,803 | 33,594 | 5,924 | 27,670 | 7,519 | 7,378 | 21.55 | 25.22 |
| Liberia | 173 | 10,923 | 6,993 | 2,737 | 417 | 2,263 | *321 | 1,941 | 698 | *18 | 36.19 | 28.14 |
| Nigeria | 543 | 19,858 | 15,959 | 4,873 | 2,602 | 12,930 | 1,759 | 11,171 | 3,517 | 5,282 | 21.62 | 20.97 |
| Southern Africa, total | 29,406 | 1,584,812 | 1,174,812 | 444,720 | 23,515 | 154,172 | 9,845 | 144,326 | 24,750 | 2,930 | 5.81 | 16.47 |
| South Africa (including South-West Africa) | 28,830 | 1,561,055 | 1,156,484 | 438,257 | 22,986 | 151,025 | 9,725 | 141,298 | 24,192 | 2,930 | 5.87 | 16.79 |
| Asia, total | 23,086 | 1,401,189 | 1,012,382 | 401,760 | 63,956 | 332,986 | 37,485 | 295,500 | 83,945 | 51,496 | 4.64 | 3.28 |
| Middle East, total | 10,371 | 563,155 | 400,185 | 149,285 | 17,899 | 98,467 | 12,563 | 85,903 | 24,913 | 22,658 | 8.71 | 6.37 |
| Iran | 1,740 | 53,570 | 43,245 | 12,194 | 6,871 | 35,279 | 3,837 | 31,441 | 11,670 | 2,835 | 21.98 | 11.87 |
| Israel | 6,100 | 446,856 | 307,242 | 122,671 | 2,830 | 13,918 | 2,030 | 11,888 | 2,570 | 1,071 | 10.57 | 13.26 |
| Lebanon | 80 | 2,745 | 2,370 | 678 | 417 | 3,080 | *389 | 2,691 | 575 | *494 | 36.09 | 41.29 |
| Saudi Arabia | 2,282 | 55,420 | 43,532 | 12,769 | 7,109 | 40,852 | 4,915 | 35,937 | 9,982 | 17,439 | 10.41 | 7.89 |
| Southern and Southeastern Asia, total | 5,361 | 301,802 | 225,487 | 88,545 | 28,808 | 136,025 | 13,216 | 122,809 | 40,397 | 17,624 | 6.72 | 5.31 |
| Indonesia | 2,055 | 88,933 | 64,577 | 24,644 | 14,406 | 50,449 | 2,849 | 47,600 | 20,029 | 4,156 | 13.66 | 7.30 |
| Malaysia | 351 | 10,723 | 9,111 | 2,854 | 1,929 | 9,094 | 492 | 8,602 | 2,585 | 2,220 | 19.82 | 18.51 |
| Philippines | 1,664 | 139,919 | 103,096 | 44,349 | 5,582 | 40,170 | 6,483 | 33,687 | 8,183 | 5,951 | 10.12 | 12.29 |
| Singapore | 1,454 | 51,295 | 42,516 | 11,927 | 6,415 | 36,150 | 3,264 | 32,886 | 9,002 | 4,327 | 23.21 | 15.09 |
| Thailand | 185 | 9,265 | 7,965 | 2,776 | 1,106 | 5,254 | 454 | 4,800 | 1,349 | 1,205 | 30.49 | 17.66 |
| Eastern Asia, total | 8,553 | 601,861 | 432,234 | 181,521 | 20,497 | 121,203 | 15,366 | 105,837 | 22,546 | 12,424 | 6.80 | 6.05 |
| China, Republic of (Taiwan) | 426 | 9,802 | 7,998 | 2,138 | 1,426 | 8,735 | 615 | 8,119 | 1,593 | *730 | 31.59 | 27.96 |
| Hong Kong | 734 | 33,482 | 26,013 | 9,698 | 4,002 | 24,456 | 2,282 | 22,174 | 3,805 | 3,249 | 9.38 | 11.03 |
| Japan (including Okinawa and Ryukyu Islands) | 7,432 | 561,616 | 399,777 | 170,709 | 15,066 | 88,756 | 12,498 | 76,258 | 17,116 | 9,074 | 7.24 | 7.28 |
| South Korea, Republic of | 73 | 3,349 | 2,998 | 906 | 425 | 2,487 | *300 | 2,188 | 395 | *153 | 53.85 | 34.35 |
| Oceania, total | 3,995 | 257,430 | 181,860 | 70,615 | 12,794 | 74,368 | 8,741 | 65,627 | 16,263 | 4,769 | 19.00 | 35.67 |
| Australia | 3,435 | 239,546 | 167,970 | 66,258 | 12,296 | 67,407 | 8,294 | 59,114 | 15,590 | 4,576 | 20.32 | 37.11 |
| New Zealand | 191 | 12,668 | 9,401 | 3,603 | 565 | 3,407 | *1,086 | 2,321 | 684 | *34 | 33.43 | 33.06 |
| Other countries of Oceania | 379 | 8,102 | 6,080 | 1,631 | 236 | 5,398 | *330 | 5,068 | 262 | *34 | 29.68 | 30.24 |
| Puerto Rico and U.S. Possessions, total | 7,999 | 179,083 | 109,810 | 31,892 | 11,270 | 120,370 | 21,583 | 98,786 | 14,637 | *2,749 | 20.80 | 27.93 |
| Puerto Rico | 7,961 | 174,670 | 106,988 | 30,700 | 10,895 | 119,020 | 21,410 | 97,609 | 14,245 | *2,749 | 21.30 | 28.83 |
| Country not stated or not allocable and other income from outside the United States | 16,222 | 1,067,155 | 783,931 | 306,619 | 17,052 | 93,901 | 9,474 | 84,427 | 17,366 | 5,727 | 6.66 | 24.73 |

Footnotes at end of table.

Foreign Tax Credit on Individual Returns, 1975

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 11.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

| Selected country | Income and taxes from all sources—Continued | | Income and taxes from specific geographic categories | | | | | | | | | Coefficient of variation for amount of total gross income (Percent) ¹ |
|---|---|-----------------------------|--|-----------------------------|-----------|---------------------|--|---|------------------------|-------------------|--------------|--|
| | Total foreign taxes available for credit | Foreign tax credit computed | Gross income | | | | | | | | | |
| | | | Total | Other than certain interest | | | | | | | | |
| | | | | Total | Dividends | Rents and royalties | Gross gain from sale of capital assets | Wages, salaries and other employee compensation | Business or profession | Estate and trusts | Other income | |
| (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (c) | |
| All geographic areas ² | 633,176 | 329,589 | 1,855,466 | 1,824,043 | 231,996 | 34,095 | 80,532 | 1,117,308 | 86,105 | 32,720 | 241,282 | 3.87 |
| Canada | 133,042 | 73,529 | 336,725 | 324,377 | 67,357 | 10,452 | 14,717 | 112,755 | 27,837 | 16,648 | 74,607 | 9.91 |
| Latin America, total | 93,781 | 47,162 | 237,021 | 232,094 | 17,208 | 1,034 | 17,546 | 149,845 | 6,543 | *12 | 39,906 | 9.66 |
| Mexico | 34,088 | 18,601 | 80,969 | 76,396 | 13,529 | *236 | 2,391 | 33,861 | 771 | *10 | 25,598 | 22.19 |
| Central America, total | 2,635 | 1,665 | 9,175 | 9,113 | 1,868 | *7 | *472 | 5,219 | *175 | — | 1,372 | 24.57 |
| Guatemala | 395 | 395 | 1,470 | 1,470 | *80 | *7 | — | *1,261 | *120 | — | *1 | 39.94 |
| Panama (excluding Canal Zone) | 1,368 | 827 | 3,717 | 3,655 | *536 | — | *472 | 2,483 | *10 | — | 155 | 35.75 |
| Caribbean countries, total | 5,261 | 1,738 | 8,715 | 8,699 | *137 | *23 | *1,072 | 7,408 | — | — | *60 | 27.15 |
| Jamaica | 1,959 | 804 | 2,641 | 2,637 | *42 | *23 | *224 | 2,338 | — | — | *10 | 24.88 |
| Trinidad and Tobago | 2,437 | 577 | 2,744 | 2,744 | *26 | — | *594 | 2,113 | — | — | *11 | 33.92 |
| South America, total | 55,484 | 27,955 | 138,065 | 137,788 | 1,675 | 768 | 13,612 | 103,258 | 5,597 | *2 | 12,876 | 10.04 |
| Argentina | 3,741 | 948 | 2,359 | 2,359 | *217 | *2 | — | *2,124 | *16 | — | — | 41.91 |
| Brazil | 22,916 | 13,345 | 55,446 | 55,390 | 363 | *412 | 2,851 | 48,781 | 1,498 | — | 1,484 | 9.49 |
| Colombia | 3,784 | 1,006 | 6,734 | 6,734 | *74 | — | *2,323 | 3,753 | *257 | *1 | *326 | 38.30 |
| Ecuador | 2,937 | 963 | 3,929 | 3,929 | *708 | *3 | *29 | 3,072 | — | — | *117 | 32.49 |
| Peru | 6,657 | 2,782 | 18,603 | 18,601 | 40 | — | *1,500 | 8,336 | — | — | *8,725 | 46.62 |
| Venezuela | 13,178 | 8,524 | 47,992 | 47,772 | 181 | *346 | *6,747 | 34,460 | 3,825 | *1 | 2,212 | 18.55 |
| Other Western Hemisphere, total | 4,279 | 1,625 | 5,124 | 5,072 | *402 | *141 | *702 | 3,233 | — | — | *595 | 19.65 |
| Netherlands Antilles | 2,663 | 615 | 2,277 | 2,277 | *60 | *14 | — | 2,193 | — | — | *10 | 26.77 |
| Europe, total | 238,971 | 129,655 | 578,576 | 568,259 | 52,651 | 9,303 | 28,086 | 380,407 | 29,968 | 14,596 | 53,248 | 5.05 |
| Common Market countries, total | 199,865 | 109,013 | 484,305 | 480,870 | 45,970 | 3,716 | 23,560 | 324,530 | 27,704 | 14,337 | 41,053 | 5.87 |
| Belgium | 38,192 | 19,375 | 65,664 | 65,650 | *225 | *17 | *111 | 60,473 | 1,767 | — | 3,058 | 7.47 |
| Denmark | 1,680 | 923 | 1,494 | 1,486 | *22 | — | *16 | 1,103 | — | — | *345 | 24.35 |
| France (including Andorra) | 36,987 | 25,002 | 79,416 | 79,224 | 2,528 | *438 | 3,126 | 64,943 | 4,778 | *5 | 3,406 | 22.39 |
| Ireland | 394 | 325 | 1,363 | 1,363 | *1 | — | — | *1,361 | *3 | — | — | 44.20 |
| Italy (including San Marino) | 7,411 | 4,186 | 14,553 | 14,552 | *8 | *114 | *407 | 10,012 | 1,093 | — | 2,919 | 19.04 |
| Luxembourg | 6,175 | 1,772 | 5,287 | 5,173 | *397 | — | *7 | 4,708 | — | — | *61 | 37.52 |
| Netherlands | 24,453 | 15,041 | 57,323 | 57,065 | 19,345 | *49 | *2,048 | 19,556 | *10,634 | 258 | 5,175 | 13.15 |
| United Kingdom | 67,437 | 41,510 | 181,000 | 179,156 | 12,181 | 1,678 | 16,304 | 116,483 | 2,765 | 12,604 | 17,140 | 10.44 |
| West Germany | 54,950 | 25,551 | 78,159 | 77,155 | 11,253 | 1,420 | 1,540 | 45,892 | 6,665 | *1,469 | 8,915 | 9.12 |
| Other West European countries, total | 57,113 | 30,786 | 93,726 | 96,847 | 6,666 | 5,573 | 4,525 | 55,422 | 2,252 | *259 | 12,150 | 72.42 |
| Austria | 7,071 | 2,355 | 11,236 | 11,193 | *486 | *3,387 | *878 | 6,323 | *47 | — | *72 | 37.02 |
| Greece | 1,298 | 601 | 1,889 | 1,889 | — | *400 | — | *1,482 | *1 | — | *6 | 33.77 |
| Norway | 3,545 | 1,220 | 3,945 | 3,945 | — | — | — | 3,800 | — | — | *144 | 22.21 |
| Portugal | 1,159 | 535 | 1,718 | 1,703 | *324 | *7 | — | *1,133 | *193 | — | *45 | 40.84 |
| Spain | 8,217 | 6,172 | 12,101 | 12,071 | *31 | 56 | — | 10,657 | *79 | — | 1,249 | 18.17 |
| Sweden | 4,425 | 1,642 | 4,417 | 4,417 | *44 | — | *27 | 4,276 | — | *58 | *11 | 26.01 |
| Switzerland | 35,012 | 21,755 | 57,257 | 50,468 | 5,764 | 1,723 | 3,621 | 26,698 | 1,932 | *200 | 10,530 | 8.43 |
| East European countries | 268 | 178 | 374 | 374 | *12 | *15 | — | *328 | — | — | *20 | 59.87 |
| Africa, total | 59,401 | 35,282 | 160,478 | 160,361 | 69,613 | *242 | 3,478 | 72,155 | *277 | *631 | 13,964 | 12.24 |
| North Africa, total | 17,329 | 6,025 | 28,681 | 28,681 | — | — | *2,178 | 25,154 | *11 | — | *1,348 | 14.86 |
| Egypt | 1,616 | 857 | 3,872 | 3,872 | — | — | — | 3,808 | — | — | *64 | 31.65 |
| Libya | 15,164 | 4,964 | 22,872 | 22,872 | — | — | *2,178 | 19,408 | *1 | — | *1,284 | 17.35 |
| East Africa | 1,067 | 500 | 2,864 | 2,864 | *14 | — | — | *2,710 | *140 | — | — | 42.50 |
| West and Central African countries, total | 14,387 | 5,807 | 27,664 | 27,664 | 56 | — | *552 | 24,839 | *14 | — | *2,203 | 30.31 |
| Liberia | 716 | 417 | 1,387 | 1,387 | *33 | — | — | *1,254 | *1 | — | *99 | 39.59 |
| Nigeria | 8,799 | 2,602 | 10,042 | 10,042 | — | — | *9 | 9,790 | *14 | — | *229 | 21.82 |
| Southern Africa, total | 27,683 | 23,550 | 100,609 | 100,492 | 69,009 | *242 | *747 | 19,452 | *107 | *631 | 10,304 | 17.10 |
| South Africa (including South-West Africa) | 27,124 | 23,021 | 97,951 | 97,834 | 68,765 | *242 | *746 | 19,336 | *107 | *631 | 8,007 | 17.41 |
| Asia, total | 135,249 | 64,163 | 289,435 | 288,385 | 8,797 | 6,454 | 13,300 | 221,008 | 17,165 | *11 | 21,650 | 4.33 |
| Middle East, total | 47,561 | 17,902 | 84,865 | 84,589 | 3,223 | 55 | 927 | 69,813 | 3,758 | *1 | 6,813 | 8.14 |
| Iran | 14,506 | 6,873 | 32,584 | 32,584 | — | — | *204 | 26,823 | *21 | — | 5,536 | 14.44 |
| Israel | 3,631 | 2,630 | 4,528 | 4,353 | 3,223 | 45 | *214 | *113 | *171 | *1 | 588 | 28.85 |
| Lebanon | 1,068 | 417 | 2,798 | 2,798 | — | — | — | 1,550 | *875 | — | *373 | 47.26 |
| Saudi Arabia | 27,422 | 7,110 | 39,761 | 39,761 | — | *10 | *509 | 36,235 | *2,691 | — | *317 | 9.30 |
| Southern and Southeastern Asia, total | 57,838 | 28,973 | 114,351 | 113,970 | 4,003 | *628 | 3,932 | 81,774 | 12,108 | *9 | 11,515 | 6.82 |
| Indonesia | 24,003 | 14,505 | 42,799 | 42,769 | *8 | *474 | *797 | 28,351 | *3,449 | *6 | 9,683 | 8.77 |
| Malaysia | 4,806 | 1,969 | 7,317 | 7,316 | *182 | — | — | 7,134 | — | — | — | 20.06 |
| Philippines | 14,134 | 5,586 | 29,338 | 29,096 | 3,378 | *154 | *2,990 | 13,672 | *7,607 | *3 | 1,293 | 15.54 |
| Singapore | 13,330 | 6,416 | 27,981 | 27,877 | *53 | — | *145 | 26,290 | *1,052 | — | 337 | 17.24 |
| Thailand | 2,555 | 1,128 | 4,370 | 4,365 | *376 | — | — | 3,986 | — | — | *3 | 20.02 |
| Eastern Asia, total | 34,970 | 20,562 | 90,219 | 89,826 | 1,571 | 5,771 | 8,441 | 69,421 | 1,299 | *2 | 3,321 | 8.01 |
| China, Republic of (Taiwan) | 2,323 | 1,469 | 7,832 | 7,800 | *14 | — | *198 | 7,587 | — | *1 | — | 37.48 |
| Hong Kong | 7,055 | 4,003 | 18,513 | 18,473 | 405 | — | *1 | 17,313 | *109 | — | 645 | 12.92 |
| Japan (including Okinawa and Ryukyu Islands) | 26,190 | 15,088 | 61,640 | 61,319 | 1,152 | 5,771 | 8,243 | 42,287 | 1,189 | *1 | 2,676 | 9.94 |
| South Korea, Republic of | 548 | 425 | 2,234 | 2,234 | — | — | — | 2,234 | — | — | — | 36.13 |
| Oceania, total | 21,032 | 12,807 | 54,841 | 54,521 | 1,820 | 3,027 | 819 | 46,090 | *303 | *29 | 2,432 | 45.28 |
| Australia | 20,166 | 12,297 | 48,385 | 48,130 | 1,490 | 3,005 | *763 | 40,111 | *300 | *29 | 2,432 | 51.19 |
| New Zealand | 905 | 569 | 1,084 | 1,020 | *245 | *22 | *56 | *694 | *3 | — | — | 32.75 |
| Other countries of Oceania | 296 | 244 | 5,371 | 5,371 | *85 | — | — | 5,286 | — | — | — | 31.58 |
| Puerto Rico and U.S. Possessions, total | 17,386 | 11,270 | 117,875 | 115,954 | 2,738 | — | *947 | 108,345 | *57 | *33 | 3,835 | 29.07 |
| Puerto Rico | 16,994 | 10,895 | 116,526 | 114,610 | 2,738 | — | *198 | 107,992 | *57 | *33 | 3,593 | 29.40 |
| Country not stated or not allocable and other income from outside the United States | 23,093 | 17,077 | 74,216 | 73,846 | 11,363 | 3,441 | 938 | 23,470 | 3,955 | 761 | 29,918 | 26.46 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 11.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

| Selected country | Income and taxes from specific geographic categories—Continued | | | | | | | | |
|---|--|------------------|---------|---------------------------------------|-----------------------------------|--|--|--|--|
| | Gross income—Continued | Deductions | | | | | | | |
| | | Certain interest | Total | On income other than certain interest | | | | | On certain interest |
| | | | | Total | Business or professional expenses | Expenses directly allocable to rents and royalties | Other expenses directly allocable to specific income items | Expenses not directly allocable to specific income items | Gross capital loss and other losses from foreign sources |
| | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | (30) |
| All geographic areas ² | 31,423 | 193,757 | 190,542 | 17,825 | 7,585 | 47,324 | 109,171 | 8,636 | 3,215 |
| Canada | 12,348 | 34,641 | 33,745 | 9,245 | 1,560 | 4,228 | 17,195 | 1,517 | 896 |
| Latin America, total | 4,927 | 21,111 | 20,578 | 410 | 212 | 4,874 | 14,344 | 739 | 533 |
| Mexico | 4,573 | 3,667 | 3,138 | *3 | *44 | 311 | 2,762 | *18 | 529 |
| Central America, total | *62 | 486 | 485 | — | *2 | *232 | 251 | *1 | *1 |
| Guatemala | — | *19 | *19 | — | *2 | *16 | *2 | — | — |
| Panama (excluding Canal Zone) | *62 | 407 | 406 | — | — | *194 | 212 | — | *1 |
| Caribbean countries, total | *16 | 479 | 479 | — | *1 | *196 | 177 | *105 | *1 |
| Jamaica | *5 | 328 | 328 | — | *1 | *184 | 38 | *105 | — |
| Trinidad and Tobago | — | *31 | *31 | — | — | — | *31 | — | — |
| South America, total | 277 | 16,479 | 16,477 | *407 | 165 | 4,135 | 11,154 | *616 | 3 |
| Argentina | — | 178 | 178 | *10 | *29 | *7 | *132 | — | — |
| Brazil | 56 | 4,782 | 4,781 | *9 | *76 | 2,043 | 2,632 | *20 | *1 |
| Colombia | — | 771 | 771 | — | — | *193 | 578 | — | — |
| Ecuador | — | *232 | *232 | — | *1 | *8 | *223 | — | — |
| Peru | *1 | 3,867 | 3,867 | *48 | — | *163 | 3,063 | *594 | — |
| Venezuela | *220 | 6,510 | 6,508 | *340 | *58 | 1,844 | 4,465 | *1 | *1 |
| Other Western Hemisphere, total | *52 | 965 | 962 | — | *122 | *127 | 672 | *41 | *3 |
| Netherlands Antilles | — | 155 | 155 | — | *16 | *79 | 59 | — | — |
| Europe, total | 10,317 | 67,632 | 66,495 | 3,979 | 3,521 | 17,807 | 36,688 | 4,499 | 1,137 |
| Common Market countries, total | 3,434 | 55,268 | 54,606 | 2,716 | 1,237 | 14,640 | 32,098 | 3,915 | 661 |
| Belgium | 14 | 4,185 | 4,183 | *60 | *33 | 1,294 | 2,764 | *33 | *2 |
| Denmark | *7 | 113 | 113 | — | *2 | *43 | 59 | *8 | — |
| France (including Andorra) | 192 | 9,767 | 9,756 | *348 | *184 | 3,281 | 5,539 | *404 | 10 |
| Ireland | — | *77 | *77 | — | — | *57 | *21 | — | — |
| Italy (including San Marino) | *1 | 840 | 840 | *7 | *15 | 392 | 425 | — | *1 |
| Luxembourg | 114 | 321 | 320 | — | — | *226 | 94 | — | — |
| Netherlands | 258 | 5,091 | 5,025 | *1,677 | *25 | 1,394 | 1,914 | *15 | *66 |
| United Kingdom | 1,844 | 25,353 | 25,057 | *52 | 702 | 5,451 | 15,741 | 3,111 | 296 |
| West Germany | 1,004 | 9,509 | 9,224 | 570 | *277 | 2,501 | 5,531 | *344 | 285 |
| Other West European countries, total | 6,878 | 12,354 | 11,878 | 1,261 | 2,284 | 3,167 | 4,583 | 584 | 476 |
| Austria | *43 | 2,186 | 2,184 | *2 | *1,887 | *65 | 229 | *1 | *3 |
| Greece | — | 385 | 385 | *91 | *132 | *109 | 53 | — | — |
| Norway | — | 258 | 258 | — | — | *136 | 121 | — | — |
| Portugal | *15 | 385 | *383 | *22 | *9 | *312 | *40 | — | *2 |
| Spain | *30 | 1,491 | 1,490 | *6 | *26 | 1,068 | 389 | *1 | *1 |
| Sweden | *1 | 311 | 311 | — | — | *145 | 166 | — | — |
| Switzerland | 6,789 | 7,171 | 6,702 | *1,141 | *229 | 1,237 | 3,513 | 583 | 470 |
| East European countries | — | *5 | *5 | — | — | — | *4 | — | — |
| Africa, total | *117 | 9,087 | 9,086 | *36 | — | 2,742 | 6,112 | *196 | *1 |
| North Africa, total | — | 1,326 | 1,326 | — | — | 601 | 725 | — | — |
| Egypt | — | *245 | *245 | — | — | *214 | *31 | — | — |
| Libya | — | 995 | 995 | — | — | 351 | 645 | — | — |
| East Africa | — | *159 | *159 | — | — | *145 | *14 | — | — |
| West and Central African countries, total | — | 4,631 | 4,631 | *3 | — | 1,455 | 3,172 | — | — |
| Liberia | — | *5 | *5 | — | — | — | *5 | — | — |
| Nigeria | — | 610 | 610 | — | — | *197 | 413 | — | — |
| Southern Africa, total | *117 | 2,964 | 2,964 | *29 | — | 541 | 2,197 | *196 | *1 |
| South Africa (including South-West Africa) | *117 | 2,918 | 2,918 | *29 | — | 541 | 2,151 | *196 | *1 |
| Asia, total | 1,050 | 29,985 | 29,892 | 3,678 | 2,091 | 8,939 | 14,572 | 611 | 94 |
| Middle East, total | 276 | 10,330 | 10,280 | 2,696 | *17 | 2,901 | 4,652 | *13 | *50 |
| Iran | — | 3,643 | 3,643 | *7 | — | 1,598 | 2,036 | *2 | — |
| Israel | 275 | 222 | 172 | *29 | *8 | *134 | *134 | *1 | *50 |
| Lebanon | — | *347 | *347 | *191 | — | *69 | *87 | — | — |
| Saudi Arabia | — | 4,670 | 4,670 | *1,281 | *9 | 1,234 | 2,136 | *10 | — |
| Southern and Southeastern Asia, total | 381 | 10,374 | 10,334 | *742 | *24 | 3,531 | 6,021 | *16 | 39 |
| Indonesia | *30 | 2,009 | 2,009 | — | *24 | 648 | 1,337 | — | *1 |
| Malaysia | *1 | 403 | 403 | — | — | 239 | 163 | — | *1 |
| Philippines | *241 | 5,044 | 5,008 | *550 | — | 1,070 | 3,372 | *16 | *35 |
| Singapore | *104 | 2,471 | 2,468 | *189 | — | 1,310 | 969 | — | *3 |
| Thailand | *5 | 269 | 269 | *2 | — | *124 | 143 | — | *1 |
| Eastern Asia, total | 393 | 9,281 | 9,277 | *240 | *2,050 | 2,507 | 3,899 | 582 | 4 |
| China, Republic of (Taiwan) | *32 | 580 | 580 | — | — | *113 | 466 | — | — |
| Hong Kong | *40 | 676 | 675 | *40 | — | 196 | 439 | *1 | *1 |
| Japan (including Okinawa and Ryukyu Islands) | 321 | 7,728 | 7,725 | *200 | *2,050 | 1,930 | 2,963 | 582 | *3 |
| South Korea, Republic of | — | *298 | *298 | — | — | *268 | *30 | — | — |
| Oceania, total | 320 | 3,484 | 3,478 | *29 | *35 | 973 | 2,263 | *177 | *6 |
| Australia | 256 | 3,038 | 3,032 | *28 | *35 | 880 | 1,917 | *171 | *6 |
| New Zealand | *64 | *121 | *121 | *1 | — | *93 | *20 | *6 | — |
| Other countries of Oceania | — | *325 | *325 | — | — | — | *325 | — | — |
| Puerto Rico and U.S. Possessions, total | *1,921 | 21,002 | 20,465 | — | — | *6,942 | 13,520 | *3 | *537 |
| Puerto Rico | *1,916 | 20,829 | 20,293 | — | — | *6,888 | 13,401 | *3 | *537 |
| Country not stated or not allocable and other income from outside the United States | 370 | 5,713 | 5,703 | *333 | *25 | 690 | 3,801 | 853 | *10 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 11.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country | Income and taxes from specific geographic categories—Continued | | | | | | | | | Coefficient of variation for amount of total foreign taxes paid or accrued (Percent) ¹ |
|---|--|-----------------------------|------------------|-------------------------------|---------------------------------------|--------------------|---------------------|---------------------|-------------------------------------|---|
| | Taxable income (less loss) | | | Foreign taxes paid or accrued | | | | | | |
| | Total | Other than certain interest | Certain interest | Total | On income other than certain interest | | | On certain interest | | |
| | | | | | Total | Taxes withheld on— | | | Other foreign taxes paid or accrued | |
| | (31) | (32) | (33) | (34) | (35) | Dividends | Rents and royalties | (38) | (39) | (d) |
| All geographic areas ² | 1,661,700 | 1,633,492 | 28,207 | 439,515 | 434,377 | 39,813 | 3,982 | 390,582 | 5,138 | 3.24 |
| Canada | 302,081 | 290,629 | 11,452 | 78,439 | 78,569 | 9,791 | 1,115 | 65,662 | 1,870 | 7.85 |
| Latin America, total | 215,910 | 211,515 | 4,394 | 55,609 | 54,953 | 3,216 | 313 | 51,424 | 656 | 8.53 |
| Mexico | 77,302 | 73,258 | 4,044 | 20,574 | 19,933 | 2,783 | *99 | 17,052 | 640 | 17.40 |
| Central America, total | 8,690 | 8,628 | *61 | 1,212 | 1,212 | 43 | — | 1,169 | *(*) | 26.22 |
| Guatemala | 1,451 | 1,451 | — | 186 | 186 | *1 | — | *185 | — | 41.99 |
| Panama (excluding Canal Zone) | 3,311 | 3,249 | *61 | 727 | 727 | *37 | — | 690 | — | 39.83 |
| Caribbean countries, total | 8,235 | 8,220 | *15 | 2,285 | 2,284 | *7 | *7 | 2,270 | *1 | 25.06 |
| Jamaica | 2,313 | 2,309 | *5 | 1,276 | 1,275 | — | *7 | 1,268 | *1 | 39.02 |
| Trinidad and Tobago | 2,713 | 2,713 | — | 761 | 761 | — | — | 761 | — | 33.43 |
| South America, total | 121,586 | 121,311 | 274 | 31,531 | 31,516 | 383 | 207 | 30,925 | *15 | 9.71 |
| Argentina | 2,181 | 2,181 | — | 123 | 123 | *8 | — | *115 | — | 37.57 |
| Brazil | 50,664 | 50,609 | 55 | 14,870 | 14,866 | 65 | *17 | 14,784 | *4 | 9.24 |
| Colombia | 5,963 | 5,963 | — | 1,802 | 1,802 | *23 | — | 1,779 | — | 33.12 |
| Ecuador | 3,696 | 3,696 | — | 1,748 | 1,748 | *240 | — | 1,508 | — | 34.42 |
| Peru | 14,735 | 14,734 | *1 | 5,758 | 5,758 | *8 | — | 5,750 | *(*) | 39.75 |
| Venezuela | 41,482 | 41,264 | *218 | 6,570 | 6,559 | *2 | *190 | 6,367 | *11 | 18.21 |
| Other Western Hemisphere, total | 4,159 | 4,110 | *50 | 1,423 | 1,423 | *27 | — | 1,396 | — | 24.62 |
| Netherlands Antilles | 2,122 | 2,122 | — | 1,151 | 1,151 | *3 | — | 1,149 | — | 28.88 |
| Europe, total | 510,941 | 501,762 | 9,180 | 151,212 | 149,246 | 12,389 | 1,106 | 135,752 | 1,966 | 5.27 |
| Common Market countries, total | 429,035 | 426,262 | 2,773 | 128,067 | 127,410 | 10,887 | 357 | 116,167 | 657 | 6.07 |
| Belgium | 61,480 | 61,467 | 12 | 21,689 | 21,687 | *27 | *1 | 21,659 | 2 | 8.67 |
| Denmark | 1,381 | 1,374 | *7 | 462 | 461 | *7 | — | 454 | *1 | 29.50 |
| France (including Andorra) | 69,648 | 69,467 | 181 | 16,510 | 16,471 | 326 | *32 | 16,113 | 40 | 15.38 |
| Ireland | 1,286 | 1,286 | — | *113 | *113 | *(*) | — | *113 | — | *(*) |
| Italy (including San Marino) | 13,713 | 13,712 | *1 | 2,990 | 2,990 | *2 | *(*) | 2,988 | *(*) | 22.72 |
| Luxembourg | 4,966 | 4,853 | 112 | 1,824 | 1,824 | *(*) | — | 1,824 | — | 36.28 |
| Netherlands | 52,231 | 52,039 | 192 | 11,196 | 11,195 | 2,843 | *2 | 8,350 | *(*) | 11.66 |
| United Kingdom | 155,646 | 154,098 | 1,549 | 43,168 | 42,640 | 3,718 | *275 | 38,648 | 527 | 14.43 |
| West Germany | 68,650 | 67,931 | 719 | 30,111 | 30,025 | 3,963 | *47 | 26,014 | 86 | 10.33 |
| Other West European countries, total | 81,371 | 74,969 | 6,403 | 22,981 | 21,673 | 1,501 | 745 | 19,427 | 1,308 | 8.00 |
| Austria | 9,050 | 9,009 | *40 | 2,634 | 2,615 | *15 | *490 | 2,110 | *19 | 33.11 |
| Greece | 1,504 | 1,504 | — | 410 | 410 | — | — | 410 | — | 38.58 |
| Norway | 3,687 | 3,687 | *(*) | 2,110 | 2,110 | — | — | 2,110 | — | 27.56 |
| Portugal | 1,333 | 1,320 | *13 | 490 | 486 | *147 | *2 | *337 | *4 | 47.01 |
| Spain | 10,610 | 10,581 | *29 | 1,696 | 1,696 | *1 | *3 | 1,693 | — | 18.29 |
| Sweden | 4,106 | 4,106 | *1 | 2,505 | 2,505 | *7 | — | 2,498 | *(*) | 28.98 |
| Switzerland | 50,086 | 43,766 | 6,320 | 12,921 | 11,635 | 1,331 | *250 | 10,054 | 1,286 | 9.80 |
| East European countries | 369 | 369 | — | *119 | *119 | *(*) | *4 | *115 | — | *(*) |
| Africa, total | 151,391 | 151,274 | *117 | 33,006 | 32,977 | 10,003 | *3 | 22,972 | *29 | 11.91 |
| North Africa, total | 27,355 | 27,355 | — | 9,905 | 9,905 | — | — | 9,905 | — | 15.48 |
| Egypt | 3,627 | 3,627 | — | 1,369 | 1,369 | — | — | 1,369 | — | 33.51 |
| Libya | 21,876 | 21,876 | — | 8,034 | 8,034 | — | — | 8,034 | — | 17.95 |
| East Africa | 2,705 | 2,705 | — | *284 | *284 | *3 | — | *282 | — | *(*) |
| West and Central African countries, total | 23,033 | 23,033 | — | 6,574 | 6,574 | 7 | — | 6,567 | — | 30.97 |
| Liberia | 1,382 | 1,382 | — | 510 | 510 | *4 | — | *506 | — | 50.94 |
| Nigeria | 9,432 | 9,432 | — | 3,092 | 3,092 | — | — | 3,092 | — | 24.50 |
| Southern Africa, total | 97,644 | 97,528 | *117 | 16,149 | 16,120 | 9,914 | *3 | 6,203 | *29 | 18.53 |
| South Africa (including South-West Africa) | 95,032 | 94,915 | *117 | 15,743 | 15,714 | 9,871 | *3 | 5,840 | *29 | 18.88 |
| Asia, total | 259,449 | 258,492 | 957 | 77,234 | 77,040 | 1,909 | 448 | 74,683 | 193 | 4.36 |
| Middle East, total | 74,534 | 74,308 | 226 | 22,461 | 22,394 | 764 | *13 | 21,617 | 67 | 8.49 |
| Iran | 28,941 | 28,941 | — | 11,048 | 11,048 | — | — | 11,048 | — | 14.14 |
| Israel | 4,406 | 4,181 | 225 | 1,256 | 1,190 | 764 | *13 | 412 | 67 | 25.92 |
| Lebanon | 2,451 | 2,451 | — | 514 | 514 | — | — | 514 | — | 66.79 |
| Saudi Arabia | 35,091 | 35,091 | — | 9,533 | 9,533 | — | — | 9,533 | — | 10.40 |
| Southern and Southeastern Asia, total | 103,978 | 103,636 | 342 | 36,906 | 36,834 | 977 | *236 | 35,621 | *72 | 6.88 |
| Indonesia | 40,790 | 40,760 | *30 | 17,802 | 17,802 | *4 | *236 | 17,562 | — | 8.55 |
| Malaysia | 6,914 | 6,913 | *1 | 2,447 | 2,447 | *76 | — | 2,371 | — | 29.83 |
| Philippines | 24,294 | 24,088 | *206 | 7,259 | 7,187 | 810 | — | 6,377 | *71 | 15.99 |
| Singapore | 25,510 | 25,410 | *101 | 7,386 | 7,386 | *21 | — | 7,364 | *1 | 20.10 |
| Thailand | 4,101 | 4,096 | *5 | 1,125 | 1,125 | *64 | — | 1,061 | — | 21.86 |
| Eastern Asia, total | 80,937 | 80,548 | 389 | 17,867 | 17,812 | 168 | 199 | 17,445 | 55 | 6.96 |
| China, Republic of (Taiwan) | 7,253 | 7,220 | *32 | 1,508 | 1,502 | *5 | — | 1,497 | *6 | 33.91 |
| Hong Kong | 17,837 | 17,798 | *39 | 2,776 | 2,776 | *10 | — | 2,766 | *(*) | 16.39 |
| Japan (including Okinawa and Ryukyu Islands) | 53,912 | 53,594 | 318 | 13,225 | 13,177 | 153 | 199 | 12,825 | 48 | 7.83 |
| South Korea, Republic of | 1,936 | 1,936 | — | 358 | 358 | — | — | 358 | — | 34.20 |
| Oceania, total | 51,357 | 51,043 | 314 | 13,764 | 13,728 | 250 | *892 | 12,586 | 36 | 34.01 |
| Australia | 45,348 | 45,098 | 250 | 13,175 | 13,149 | 210 | *892 | 12,046 | 26 | 35.51 |
| New Zealand | 864 | 899 | *64 | 331 | 321 | *27 | — | 295 | *10 | 43.05 |
| Other countries of Oceania | 5,046 | 5,046 | — | 258 | 258 | *13 | — | 245 | — | 30.20 |
| Puerto Rico and U.S. Possessions, total | 96,872 | 95,488 | *1,384 | 14,019 | 13,659 | 447 | — | 13,212 | *360 | 30.21 |
| Puerto Rico | 95,696 | 94,317 | *1,379 | 13,627 | 13,269 | 447 | — | 12,822 | *359 | 31.03 |
| Country not stated or not allocable and other income from outside the United States | 68,503 | 68,143 | 360 | 14,320 | 14,292 | 1,781 | *105 | 12,406 | *28 | 30.16 |

¹ Estimate should be used with caution because of the small number of sample returns on which it was based.² See Sampling Variability section of text for interpretation and limitation of these coefficient of variation estimates.³ Includes "DISC dividends" and "Foreign oil related income" which are not shown separately.⁴ Less than \$500 per return.⁵ Estimate is not shown separately because of the small number of sample returns on which it was based.

NOTE: The data in columns 2 through 12 pertain to the total activity of the taxpayer with income or taxes attributable to a particular country. Since many taxpayers have income or taxes attributable to more than one country, the data in these columns are not additive to any meaningful totals. Detail may not add to total because of rounding.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 12.—Number of Returns for Selected Items, by Selected Country to Which Foreign Taxes Were Paid

(All figures are estimates based on samples)

| Selected country | Total number of returns | Number of returns for income and taxes from specific geographic categories | | | | | | | | |
|---|-------------------------|--|--|---|------------------------|------------------|--|---|---------------------|---|
| | | Gross income | | | | | Total deductions on income other than certain interest | Foreign taxes paid or accrued—On income other than certain interest | | |
| | | Other than certain interest | | | | Certain interest | | Taxes withheld on— | | Taxes on income other than dividends, rents and royalties |
| | | Dividends | Gross gain from sale of capital assets | Wages, salaries and other employee compensation | Business or profession | | | Dividends | Rents and royalties | |
| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | |
| All geographic areas¹ | 210,725 | 102,792 | 4,078 | 53,635 | 3,560 | 12,473 | 58,052 | 99,537 | 4,415 | 105,610 |
| Canada | 88,013 | 53,948 | 512 | 8,975 | 1,157 | 7,201 | 12,602 | 51,436 | 1,717 | 32,514 |
| Latin America, total | 16,780 | 2,417 | 422 | 7,230 | 665 | 1,039 | 7,007 | 2,093 | 97 | 13,905 |
| Mexico | 9,604 | 1,820 | 148 | 1,795 | 155 | 827 | 3,255 | 1,792 | *30 | 7,227 |
| Central America, total | 901 | 154 | *35 | 327 | *138 | 8 | 268 | 104 | — | 736 |
| Belize | *40 | — | — | *40 | — | — | *40 | — | — | *40 |
| El Salvador | *4 | — | — | *4 | — | — | — | — | — | *4 |
| Guatemala | 86 | *9 | — | *77 | *3 | — | *7 | *6 | — | *82 |
| Nicaragua | *58 | *8 | — | *41 | — | — | *35 | — | — | *41 |
| Panama (excluding Canal Zone) | 628 | *127 | *35 | 131 | *135 | *8 | 145 | *88 | — | 494 |
| South America, total | 6,676 | 480 | 197 | 4,788 | 508 | 201 | 3,666 | 244 | 65 | 6,216 |
| Argentina | 208 | *40 | — | *131 | *3 | — | 195 | *40 | — | *60 |
| Brazil | 2,039 | 142 | 63 | 1,807 | 124 | 66 | 1,404 | 42 | *10 | 2,006 |
| Colombia | 593 | *8 | *34 | 311 | *4 | — | 238 | *8 | — | 584 |
| Ecuador | 170 | *8 | *6 | 170 | — | — | *93 | *7 | — | 170 |
| Uruguay | *14 | — | — | *11 | — | — | *10 | — | — | *11 |
| Venezuela | 2,743 | 219 | *85 | 1,867 | 380 | *100 | 1,244 | *124 | *55 | 2,521 |
| Other Western Hemisphere, total | 261 | *70 | *15 | 147 | — | *6 | 162 | *46 | — | 149 |
| Netherlands Antilles | 118 | *52 | — | 59 | — | — | 56 | *40 | — | 63 |
| Other British West Indies | *69 | — | — | *69 | — | — | *69 | — | — | *69 |
| Europe, total | 50,531 | 20,362 | 1,003 | 14,496 | 1,512 | 3,617 | 19,129 | 19,561 | 2,338 | 26,273 |
| Common Market countries, total | 39,214 | 18,827 | 849 | 12,015 | 1,463 | 1,203 | 14,806 | 18,082 | 155 | 21,375 |
| Italy (including San Marino) | 1,753 | *19 | *25 | 405 | 112 | *6 | 746 | *7 | *18 | 1,674 |
| Netherlands | 16,493 | 13,101 | *96 | 761 | *284 | 84 | 1,751 | 12,573 | *7 | 3,887 |
| United Kingdom | 14,475 | 4,998 | 233 | 5,122 | 844 | 701 | 7,776 | 4,815 | *88 | 9,915 |
| West Germany | 4,010 | 1,086 | 364 | 1,640 | 273 | 283 | 2,059 | 1,071 | *57 | 2,776 |
| Other West European countries, total | 13,553 | 1,893 | 165 | 2,588 | 815 | 2,535 | 5,780 | 1,776 | 2,200 | 6,393 |
| Austria | 2,912 | *7 | *7 | 816 | *11 | *7 | 2,147 | *7 | *2,049 | 187 |
| Finland | *3 | — | — | — | — | — | *3 | — | — | *3 |
| Monaco | *35 | — | — | *35 | — | — | *35 | — | — | — |
| Spain | 1,192 | *54 | — | 464 | *102 | *14 | 872 | *52 | *27 | 1,070 |
| Switzerland | 8,873 | 1,809 | 156 | 799 | 698 | 2,467 | 2,436 | 1,696 | *124 | 4,679 |
| Turkey | *6 | — | — | *6 | — | — | *6 | — | — | *6 |
| East European countries, total | 61 | *7 | — | *39 | — | — | *11 | *7 | *10 | *41 |
| East Germany | *3 | — | — | *3 | — | — | *3 | — | — | — |
| Union of Soviet Socialist Republics | *37 | — | — | *34 | — | — | *3 | — | — | *37 |
| Africa, total | 33,015 | 24,851 | 360 | 3,778 | *53 | *131 | 5,926 | 24,705 | *30 | 8,021 |
| Southern Africa, total | 29,406 | 24,081 | *304 | 1,125 | *41 | *131 | 4,645 | 23,937 | *30 | 5,407 |
| South Africa (including South-West Africa) | 28,830 | 23,837 | *269 | 1,055 | *41 | *131 | 4,606 | 23,693 | *30 | 5,074 |
| Asia, total | 23,086 | 9,819 | 389 | 9,582 | 177 | 535 | 9,326 | 9,601 | 262 | 12,774 |
| Middle East, total | 10,371 | 5,084 | 121 | 3,831 | 89 | 332 | 3,781 | 4,994 | *70 | 5,038 |
| Bahrain | *118 | — | — | *118 | — | — | *75 | — | — | — |
| Kuwait | *6 | — | — | *6 | — | — | — | — | — | *6 |
| Lebanon | 80 | — | — | 45 | *35 | — | *68 | — | — | 80 |
| Saudi Arabia | 2,282 | — | *8 | 2,211 | *51 | — | 1,454 | — | — | 2,279 |
| Southern and Southeastern Asia, total | 5,361 | 1,098 | 149 | 3,394 | 62 | 117 | 2,571 | 1,052 | *58 | 4,101 |
| Bangladesh | *5 | — | — | *5 | — | — | *5 | — | — | *5 |
| India | *72 | *6 | — | *23 | — | — | *21 | *6 | — | *66 |
| Indonesia | 2,055 | *7 | *35 | 1,502 | *3 | *10 | 1,196 | *7 | *58 | 1,954 |
| Philippines | 1,664 | 1,017 | *111 | 449 | *17 | *49 | 464 | 973 | — | 696 |
| Singapore | 1,454 | *3 | *3 | 981 | *43 | *54 | 995 | *3 | — | 1,359 |
| Thailand | 185 | *44 | — | 139 | — | *4 | 58 | *44 | — | 142 |
| Eastern Asia, total | 8,553 | 4,063 | 119 | 2,455 | 28 | 87 | 3,617 | 3,967 | 134 | 4,273 |
| China, Republic of (Taiwan) | 426 | *9 | *6 | 419 | — | *6 | 301 | *9 | — | 426 |
| Japan (including Okinawa and Ryukyu Islands) | 7,432 | 3,994 | 110 | 1,405 | 26 | 64 | 2,926 | 3,947 | 134 | 3,282 |
| South Korea, Republic of | 73 | — | — | 73 | — | — | *67 | — | — | 31 |
| Oceania, total | 3,995 | 1,348 | 58 | 1,799 | *44 | 126 | 906 | 1,320 | *12 | 2,598 |
| Australia | 3,435 | 1,224 | *50 | 1,385 | *43 | 107 | 674 | 1,196 | *12 | 2,177 |
| Puerto Rico and U.S. Possessions, total | 7,999 | 307 | *58 | 7,625 | *5 | *51 | 5,431 | 214 | — | 7,759 |
| Puerto Rico | 7,961 | 307 | *48 | 7,605 | *5 | *50 | 5,408 | 214 | — | 7,722 |
| Country not stated or not allocable and other income from outside the United States | 16,222 | 7,888 | 1,841 | 1,147 | 317 | 68 | 2,181 | 7,682 | *58 | 8,004 |

¹ Estimate should be used with caution because of the small number of sample returns on which it was based.² Includes "DISC Dividends" and "Foreign oil-related income" which are not shown separately.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 13.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid and by Credit-Limitation Method

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country and credit-limitation method | Income and taxes from all sources | | | | | | Income and taxes from specific geographic categories | | | | | | | |
|---|-----------------------------------|-----------------------|----------------|--|----------------------------|-------------------------------|--|-----------------------------|-------------------|---------|--|--------|--------------------|-----------|
| | Number of returns | Adjusted gross income | Taxable income | U.S. income tax against which foreign tax credit was allowed | Foreign tax credit claimed | Foreign taxes paid or accrued | Gross income | | | | | | | |
| | | | | | | | Total | Other than certain interest | | | | | | |
| | | | | | | | | Dividends | | | Gross gain from sale of capital assets | | Salaries and wages | |
| | | | | | | | | Total | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
| All geographic areas ¹ | 210,725 | 10,701,592 | 7,885,244 | 3,039,241 | 328,927 | 439,515 | 1,855,466 | 1,824,043 | 102,792 | 231,996 | 4,078 | 80,532 | 53,635 | 1,117,308 |
| Returns with per-country limitation | 111,565 | 4,956,639 | 3,637,156 | 1,368,028 | 120,285 | 170,552 | 751,181 | 732,064 | 50,416 | 81,674 | 1,590 | 21,846 | 25,019 | 405,929 |
| Returns with overall limitation | 99,160 | 5,744,954 | 4,248,088 | 1,671,213 | 208,641 | 268,963 | 1,104,285 | 1,091,980 | 52,376 | 150,322 | 2,488 | 59,686 | 28,616 | 711,379 |
| Canada | 88,013 | 4,888,147 | 3,571,705 | 1,478,458 | 73,371 | 103,059 | 336,725 | 324,377 | 53,948 | 67,357 | 512 | 14,717 | 8,975 | 112,755 |
| Returns with per-country limitation | 52,131 | 2,319,168 | 1,709,316 | 676,021 | 36,440 | 51,284 | 217,209 | 208,726 | 28,571 | 41,373 | 92 | 9,862 | 6,138 | 64,071 |
| Returns with overall limitation | 35,882 | 2,568,979 | 1,862,390 | 802,437 | 36,931 | 51,775 | 119,515 | 115,651 | 25,377 | 25,984 | 420 | 4,855 | 2,837 | 48,685 |
| Latin America, total | 16,780 | 699,399 | 536,154 | 195,079 | 47,104 | 61,155 | 237,021 | 232,094 | 2,417 | 17,208 | 422 | 17,546 | 7,230 | 149,845 |
| Returns with per-country limitation | 10,067 | 329,931 | 249,686 | 81,215 | 18,306 | 26,460 | 100,940 | 97,298 | 395 | 1,732 | 175 | 2,878 | 3,608 | 58,418 |
| Returns with overall limitation | 6,713 | 369,469 | 286,468 | 113,864 | 28,798 | 34,695 | 136,081 | 134,796 | 2,022 | 15,476 | 247 | 14,668 | 3,622 | 91,427 |
| Mexico | 9,604 | 366,995 | 274,199 | 97,929 | 18,564 | 24,375 | 80,969 | 76,396 | 1,820 | 13,529 | 148 | 2,391 | 1,795 | 33,861 |
| Returns with per-country limitation | 6,691 | 214,287 | 157,932 | 52,857 | 9,043 | 12,222 | 45,607 | 42,023 | 228 | 646 | *91 | *1,894 | 1,049 | 17,662 |
| Returns with overall limitation | 2,913 | 152,708 | 116,268 | 45,072 | 9,521 | 12,153 | 35,362 | 34,373 | 1,592 | 12,883 | *57 | *496 | 746 | 16,199 |
| Europe, total | 50,531 | 2,935,473 | 2,153,623 | 852,711 | 129,383 | 167,432 | 578,576 | 568,259 | 20,362 | 52,651 | 1,003 | 28,086 | 14,498 | 380,407 |
| Returns with per-country limitation | 16,660 | 1,019,597 | 739,891 | 301,029 | 25,029 | 38,477 | 127,990 | 123,691 | 6,573 | 11,416 | 113 | 554 | 2,794 | 68,364 |
| Returns with overall limitation | 33,871 | 1,915,876 | 1,413,732 | 551,682 | 104,353 | 128,955 | 450,586 | 444,568 | 13,789 | 41,234 | 890 | 27,532 | 11,704 | 312,043 |
| Belgium | 2,807 | 167,915 | 131,487 | 48,174 | 19,324 | 25,760 | 65,664 | 65,650 | *127 | *225 | *7 | *111 | 1,886 | 60,473 |
| Returns with per-country limitation | 968 | 66,159 | 49,408 | 17,952 | 3,008 | 4,606 | 8,615 | 8,613 | *117 | *78 | — | — | 297 | 7,414 |
| Returns with overall limitation | 1,839 | 101,756 | 82,080 | 30,223 | 16,316 | 21,155 | 57,049 | 57,037 | *10 | *148 | *7 | *111 | 1,589 | 53,059 |
| United Kingdom | 14,475 | 713,682 | 501,965 | 195,169 | 41,438 | 53,621 | 181,000 | 179,156 | 4,998 | 12,181 | 233 | 16,304 | 5,122 | 116,483 |
| Returns with per-country limitation | 5,567 | 265,016 | 184,151 | 75,338 | 7,887 | 13,972 | 42,398 | 41,360 | 1,333 | 1,877 | *101 | *282 | 1,160 | 25,733 |
| Returns with overall limitation | 8,908 | 448,666 | 317,814 | 119,831 | 33,552 | 39,648 | 138,603 | 137,796 | 3,665 | 10,304 | 132 | 16,022 | 3,962 | 90,750 |
| West Germany | 4,010 | 249,997 | 189,182 | 75,419 | 25,499 | 35,195 | 78,159 | 77,155 | 1,086 | 11,253 | 364 | 1,540 | 1,640 | 45,892 |
| Returns with per-country limitation | 1,223 | 87,325 | 66,794 | 26,455 | 6,883 | 10,485 | 22,496 | 22,450 | 96 | 1,176 | *8 | *94 | 342 | 10,240 |
| Returns with overall limitation | 2,787 | 162,672 | 122,388 | 48,964 | 18,615 | 24,710 | 55,663 | 54,705 | 990 | 10,077 | 356 | 1,446 | 1,298 | 35,653 |
| Spain | 1,192 | 91,210 | 69,031 | 26,963 | 6,145 | 6,586 | 12,101 | 12,071 | *54 | *31 | — | — | 464 | 10,657 |
| Returns with per-country limitation | 751 | 55,419 | 40,119 | 14,479 | 1,321 | 1,804 | 4,586 | 4,586 | — | — | — | — | 177 | 3,510 |
| Returns with overall limitation | 441 | 35,791 | 28,912 | 12,484 | 4,824 | 4,782 | 7,515 | 7,485 | *54 | *31 | — | — | 287 | 7,147 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 13.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid and by Credit-Limitation Method—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country and credit-limitation method | Income and taxes from all sources | | | | | | Income and taxes from specific geographic categories | | | | | | | |
|--|-----------------------------------|-----------------------|----------------|--|----------------------------|-------------------------------|--|-----------------------------|-------------------|--------|--|--------|--------------------|---------|
| | Number of returns | Adjusted gross income | Taxable income | U.S. income tax against which foreign tax credit was allowed | Foreign tax credit claimed | Foreign taxes paid or accrued | Gross income | | | | | | | |
| | | | | | | | Total | Other than certain interest | | | | | | |
| | | | | | | | | Dividends | | | Gross gain from sale of capital assets | | Salaries and wages | |
| | | | | | | | | Total | Number of returns | Amount | Number of returns | Amount | Number of returns | Amount |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) | (11) | (12) | (13) | (14) |
| Africa | 33,015 | 1,725,465 | 1,280,355 | 477,199 | 35,241 | 42,106 | 160,478 | 160,361 | 24,851 | 69,613 | 360 | 3,478 | 3,778 | 72,155 |
| Returns with per-country limitation | 15,376 | 705,054 | 529,108 | 186,677 | 11,795 | 14,452 | 68,888 | 68,875 | 11,012 | 19,764 | *41 | *2,134 | 2,191 | 40,262 |
| Returns with overall limitation | 17,639 | 1,020,410 | 751,247 | 290,523 | 23,446 | 27,654 | 91,590 | 91,486 | 13,839 | 49,849 | 319 | 1,344 | 1,587 | 31,894 |
| Asia, total | 23,086 | 1,401,189 | 1,012,382 | 401,760 | 63,956 | 83,945 | 289,435 | 288,385 | 9,819 | 8,797 | 389 | 13,300 | 9,582 | 221,008 |
| Returns with per-country limitation | 9,027 | 532,986 | 388,735 | 151,575 | 19,664 | 28,022 | 101,163 | 100,784 | 3,624 | 3,115 | 149 | 5,290 | 3,185 | 64,561 |
| Returns with overall limitation | 14,059 | 868,203 | 623,647 | 250,185 | 44,292 | 55,923 | 188,272 | 187,601 | 6,195 | 5,683 | 240 | 8,010 | 6,397 | 156,447 |
| Philippines | 1,664 | 139,919 | 103,096 | 44,349 | 5,582 | 8,183 | 29,338 | 29,096 | 1,017 | 3,378 | *111 | *2,990 | 449 | 13,672 |
| Returns with per-country limitation | 548 | 44,626 | 33,930 | 14,336 | 2,066 | 3,439 | 14,144 | 14,144 | 202 | 512 | *36 | *65 | 228 | 6,083 |
| Returns with overall limitation | 1,116 | 95,293 | 69,166 | 30,014 | 3,515 | 4,744 | 15,194 | 14,952 | 815 | 2,865 | *75 | *2,925 | 221 | 7,590 |
| Japan (including Okinawa and Ryukyu Islands) | 7,432 | 561,616 | 399,777 | 170,709 | 15,066 | 17,116 | 61,640 | 61,319 | 3,994 | 1,152 | 110 | 8,243 | 1,405 | 42,287 |
| Returns with per-country limitation | 2,123 | 186,803 | 139,368 | 60,796 | 3,901 | 4,710 | 20,180 | 19,981 | 625 | 249 | *66 | *5,013 | 228 | 8,132 |
| Returns with overall limitation | 5,309 | 374,813 | 260,409 | 109,912 | 11,165 | 12,406 | 41,460 | 41,338 | 3,369 | 903 | 44 | 3,229 | 1,177 | 34,156 |
| Oceania, total | 3,995 | 257,430 | 181,860 | 70,615 | 12,794 | 16,263 | 54,841 | 54,521 | 1,348 | 1,820 | 58 | 819 | 1,799 | 46,090 |
| Returns with per-country limitation | 1,498 | 101,577 | 65,992 | 26,220 | 2,046 | 2,885 | 11,115 | 10,896 | 245 | 809 | *38 | *145 | 511 | 7,912 |
| Returns with overall limitation | 2,497 | 155,853 | 115,868 | 44,395 | 10,748 | 13,378 | 43,725 | 43,625 | 1,103 | 1,011 | *20 | *674 | 1,288 | 38,179 |
| Australia | 3,435 | 239,546 | 167,970 | 66,258 | 12,296 | 15,590 | 48,385 | 48,130 | 1,224 | 1,490 | *50 | *763 | 1,385 | 40,111 |
| Returns with per-country limitation | 1,215 | 93,607 | 59,641 | 23,991 | 1,863 | 2,695 | 7,396 | 7,187 | 238 | 808 | *34 | *133 | 248 | 4,238 |
| Returns with overall limitation | 2,220 | 145,939 | 108,329 | 42,267 | 10,433 | 12,895 | 40,989 | 40,942 | 986 | 682 | *16 | *630 | 1,137 | 35,872 |
| Puerto Rico and U.S. Possessions, total | 7,999 | 179,083 | 109,810 | 31,892 | 11,270 | 14,637 | 117,875 | 115,954 | 307 | 2,738 | *58 | *947 | 7,625 | 108,345 |
| Returns with per-country limitation | 6,022 | 113,265 | 70,190 | 14,996 | 9,245 | 12,041 | 90,354 | 88,443 | 80 | 588 | *16 | *869 | 5,885 | 83,547 |
| Returns with overall limitation | 1,977 | 65,817 | 39,621 | 16,896 | 2,025 | 2,596 | 27,521 | 27,512 | 227 | 2,150 | *42 | *78 | 1,740 | 24,797 |
| Country not stated or not allocable and other income from outside the United States | 16,222 | 1,067,155 | 783,931 | 306,619 | 17,052 | 17,366 | 74,216 | 73,846 | 7,888 | 11,363 | 1,841 | 938 | 1,147 | 23,470 |
| Returns with per-country limitation | 5,997 | 328,495 | 242,199 | 91,309 | 6,122 | 6,567 | 31,598 | 31,441 | 2,482 | 2,831 | *975 | *114 | *743 | *17,746 |
| Returns with overall limitation | 10,225 | 738,661 | 541,732 | 215,310 | 10,929 | 10,800 | 42,619 | 42,405 | 5,406 | 8,532 | 866 | 823 | 404 | 5,725 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 13.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid and by Credit-Limitation Method—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country and credit-limitation method | Income and taxes from specific geographic categories—Continued | | | | | | | | | | | | | | | |
|---|--|--------|-------------------|--------|------------|---|---------|----------------------|-------------------------------|---------|---------------------------------------|--------|-------------------|---------|----------------------|--------|
| | Gross income—Continued | | | | Deductions | | | Total taxable income | Foreign taxes paid or accrued | | | | | | On certain interest. | |
| | Other than certain interest—Continued | | Certain interest | | Total | Total on income other than certain interest | | | Total | Total | On income other than certain interest | | | | | |
| | Business or profession | | Number of returns | Amount | | Number of returns | Amount | | | | Number of returns | Amount | Number of returns | Amount | | |
| | Number of returns | Amount | | | | | | | | | | | | | Number of returns | Amount |
| | (15) | (16) | (17) | (18) | (19) | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) | (28) | (29) | (30) |
| All geographic areas ¹ | 3,560 | 86,105 | 12,473 | 31,423 | 193,757 | 58,052 | 190,542 | 1,661,700 | 439,515 | 434,377 | 99,537 | 39,813 | 105,610 | 390,582 | 10,985 | 5,138 |
| Returns with per-country limitation | 1,221 | 48,590 | 8,871 | 19,117 | 78,297 | 27,517 | 76,257 | 672,878 | 170,552 | 167,284 | 48,702 | 13,370 | 57,389 | 152,428 | 8,390 | 3,268 |
| Returns with overall limitation | 2,339 | 37,515 | 3,602 | 12,306 | 115,460 | 30,535 | 114,284 | 988,821 | 268,963 | 267,093 | 50,835 | 26,444 | 48,221 | 238,154 | 2,595 | 1,870 |
| Canada | 1,157 | 27,837 | 7,201 | 12,348 | 34,641 | 12,602 | 33,745 | 302,081 | 78,439 | 76,569 | 51,436 | 9,791 | 32,514 | 65,662 | 6,398 | 1,870 |
| Returns with per-country limitation | 302 | 15,848 | 5,853 | 8,484 | 24,082 | 8,312 | 23,415 | 193,125 | 47,617 | 46,275 | 27,221 | 6,696 | 21,113 | 38,783 | 5,445 | 1,342 |
| Returns with overall limitation | 855 | 11,989 | 1,348 | 3,864 | 10,558 | 4,290 | 10,330 | 108,956 | 30,822 | 30,294 | 24,215 | 3,096 | 11,401 | 26,879 | 953 | 528 |
| Latin America, total | 665 | 6,543 | 1,039 | 4,927 | 21,111 | 7,007 | 20,578 | 215,910 | 55,609 | 54,953 | 2,093 | 3,216 | 13,905 | 51,424 | 924 | 656 |
| Returns with per-country limitation | 151 | 1,374 | 623 | 3,642 | 9,069 | 3,414 | 8,574 | 91,871 | 25,036 | 24,539 | 293 | 415 | 9,200 | 24,067 | 597 | 497 |
| Returns with overall limitation | 514 | 5,169 | 416 | 1,285 | 12,042 | 3,593 | 12,004 | 124,039 | 30,573 | 30,414 | 1,800 | 2,801 | 4,705 | 27,357 | 327 | 159 |
| Mexico | 155 | 771 | 827 | 4,573 | 3,667 | 3,255 | 3,138 | 77,302 | 20,574 | 19,933 | 1,792 | 2,783 | 7,227 | 17,052 | 810 | 640 |
| Returns with per-country limitation | *102 | *327 | 599 | 3,584 | 2,728 | 2,149 | 2,234 | 42,879 | 10,879 | 10,384 | 217 | 121 | 5,962 | 10,213 | 592 | 496 |
| Returns with overall limitation | *53 | *444 | 228 | 989 | 939 | 1,106 | 904 | 34,423 | 9,694 | 9,550 | 1,575 | 2,662 | 1,265 | 6,839 | 218 | 145 |
| Europe, total | 1,512 | 29,968 | 3,617 | 10,317 | 67,632 | 19,129 | 66,495 | 510,941 | 151,212 | 149,246 | 19,561 | 12,389 | 26,273 | 135,752 | 3,127 | 1,966 |
| Returns with per-country limitation | 619 | 15,871 | 2,003 | 4,299 | 16,426 | 5,519 | 16,139 | 111,563 | 35,470 | 34,515 | 6,532 | 2,337 | 8,705 | 31,973 | 1,971 | 955 |
| Returns with overall limitation | 893 | 14,097 | 1,614 | 6,018 | 51,206 | 13,610 | 50,356 | 399,378 | 115,742 | 114,732 | 13,029 | 10,052 | 17,568 | 103,779 | 1,156 | 1,010 |
| Belgium | 138 | 1,767 | 37 | 14 | 4,185 | 2,115 | 4,183 | 61,480 | 21,689 | 21,687 | *125 | *27 | 2,593 | 21,659 | 19 | 2 |
| Returns with per-country limitation | *99 | *205 | *3 | *2 | 382 | 636 | 382 | 8,233 | 3,423 | 3,423 | *117 | *12 | 854 | 3,411 | *3 | (*) |
| Returns with overall limitation | *39 | *1,562 | 34 | 12 | 3,802 | 1,479 | 3,801 | 53,247 | 18,266 | 18,264 | *8 | *15 | 1,739 | 18,248 | *16 | *2 |
| United Kingdom | 844 | 2,765 | 701 | 1,844 | 25,353 | 7,776 | 25,057 | 155,646 | 43,168 | 42,640 | 4,815 | 3,718 | 9,915 | 38,648 | 497 | 527 |
| Returns with per-country limitation | *102 | *189 | 438 | 1,038 | 8,637 | 3,796 | 8,419 | 33,761 | 10,872 | 10,614 | 1,329 | 642 | 4,239 | 9,776 | 425 | 258 |
| Returns with overall limitation | 742 | 2,576 | 263 | 807 | 16,717 | 3,980 | 16,638 | 121,886 | 32,295 | 32,026 | 3,486 | 3,076 | 5,676 | 28,872 | 72 | 269 |
| West Germany | 273 | 6,665 | 283 | 1,004 | 9,509 | 2,059 | 9,224 | 68,650 | 30,111 | 30,025 | 1,071 | 3,963 | 2,776 | 26,014 | 183 | 86 |
| Returns with per-country limitation | 240 | 5,742 | *21 | *46 | 2,696 | 841 | 2,690 | 19,800 | 8,873 | 8,835 | 94 | 213 | 1,126 | 8,616 | *20 | *37 |
| Returns with overall limitation | 33 | 923 | 262 | 958 | 6,814 | 1,218 | 6,534 | 48,850 | 21,238 | 21,189 | 977 | 3,750 | 1,650 | 17,399 | 163 | 49 |
| Spain | *102 | *79 | *14 | *30 | 1,491 | 872 | 1,490 | 10,610 | 1,696 | 1,696 | *52 | *1 | 1,070 | 1,693 | — | — |
| Returns with per-country limitation | *94 | *50 | — | — | 822 | 615 | 822 | 3,764 | 571 | 571 | — | — | 748 | 571 | — | — |
| Returns with overall limitation | *8 | *29 | *14 | *30 | 668 | 257 | 668 | 6,846 | 1,126 | 1,126 | *52 | *1 | 322 | 1,122 | — | — |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 13.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid and by Credit-Limitation Method—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country and credit-limitation method | Income and taxes from specific geographic categories—Continued | | | | | | | | | | | | | | | |
|--|--|--------|----------------------|--------|------------|---|--------|----------------------------|---------------------------------------|--------|--------------------------------|--------|---|--------|------------------------|------|
| | Gross income—Continued | | | | Deductions | | | Total taxable income | Foreign taxes paid or accrued | | | | | | On certain interest | |
| | Other than certain interest—Continued | | Certain interest | | Total | Total on income other than certain interest | | | On income other than certain interest | | | | | | | |
| | Business or profession | | Number of returns | Amount | | Number of returns | Amount | | Total | Total | Taxes withheld on dividends | | Taxes on income other than dividends, rents and royalties | | | |
| | Number of returns | Amount | | | | | | | | | Number of returns | Amount | Number of returns | Amount | | |
| | | | | | | | | | | | | | | | (15) | (16) |
| Africa | *53 | *277 | *131 | *117 | 9,087 | 5,926 | 9,086 | 151,391 | 33,006 | 32,977 | 24,705 | 10,003 | 8,021 | 22,972 | *125 | *29 |
| Returns with per-country limitation | *50 | *114 | *16 | *13 | 4,875 | 3,080 | 4,875 | 64,012 | 13,765 | 13,761 | 10,997 | 2,463 | 4,302 | 11,298 | *10 | *4 |
| Returns with overall limitation | *3 | *163 | *115 | *104 | 4,212 | 2,846 | 4,211 | 87,378 | 19,242 | 19,216 | 13,708 | 7,539 | 3,719 | 11,674 | *115 | *25 |
| Asia, total | 177 | 17,165 | 535 | 1,050 | 29,985 | 9,326 | 29,892 | 259,449 | 77,234 | 77,040 | 9,601 | 1,909 | 12,774 | 74,683 | 446 | 193 |
| Returns with per-country limitation | 138 | 14,052 | 250 | 379 | 10,651 | 3,702 | 10,602 | 90,511 | 26,725 | 26,658 | 3,496 | 690 | 5,222 | 25,793 | 241 | 67 |
| Returns with overall limitation | 39 | 3,114 | 285 | 672 | 19,334 | 5,624 | 19,290 | 168,938 | 50,509 | 50,382 | 6,105 | 1,219 | 7,552 | 48,890 | 205 | 127 |
| Philippines | *17 | *7,607 | *49 | *241 | 5,044 | 464 | 5,008 | 24,294 | 7,259 | 7,187 | 973 | 810 | 696 | 6,377 | *49 | *71 |
| Returns with per-country limitation | *9 | *7,227 | — | — | 1,653 | 136 | 1,653 | 12,491 | 3,415 | 3,415 | 166 | 108 | 382 | 3,307 | — | — |
| Returns with overall limitation | *8 | *380 | *49 | *241 | 3,391 | 328 | 3,355 | 11,803 | 3,844 | 3,772 | 807 | 702 | 314 | 3,070 | *49 | *71 |
| Japan (including Okinawa and Ryukyu Islands) | 26 | 1,189 | 64 | 321 | 7,728 | 2,926 | 7,725 | 53,912 | 13,225 | 13,177 | 3,947 | 153 | 3,282 | 12,825 | 57 | 48 |
| Returns with per-country limitation | *4 | *640 | *53 | *199 | 3,450 | 1,266 | 3,449 | 16,731 | 3,266 | 3,241 | 604 | 36 | 1,397 | 3,044 | *47 | *25 |
| Returns with overall limitation | *22 | *549 | 11 | 122 | 4,278 | 1,660 | 4,276 | 37,181 | 9,959 | 9,936 | 3,343 | 117 | 1,885 | 9,781 | *10 | *23 |
| Oceania, total | *44 | *303 | 126 | 320 | 3,484 | 906 | 3,478 | 51,357 | 13,764 | 13,728 | 1,320 | 250 | 2,598 | 12,586 | 124 | 36 |
| Returns with per-country limitation | *40 | *207 | *99 | *220 | 448 | 243 | 447 | 10,668 | 2,747 | 2,723 | 245 | 128 | 1,208 | 2,349 | *99 | *24 |
| Returns with overall limitation | *4 | *96 | *27 | *100 | 3,036 | 663 | 3,030 | 40,689 | 11,017 | 11,005 | 1,075 | 122 | 1,390 | 10,237 | *25 | *12 |
| Australia | *43 | *300 | 107 | 256 | 3,038 | 674 | 3,032 | 45,348 | 13,175 | 13,149 | 1,196 | 210 | 2,177 | 12,046 | 105 | 26 |
| Returns with per-country limitation | *40 | *207 | *87 | *209 | 355 | 163 | 354 | 7,042 | 2,557 | 2,535 | 238 | 128 | 940 | 2,161 | *87 | *22 |
| Returns with overall limitation | *3 | *93 | *20 | *47 | 2,683 | 511 | 2,677 | 38,306 | 10,618 | 10,614 | 958 | 83 | 1,237 | 9,885 | *18 | *4 |
| Puerto Rico and U.S. Possessions, total | *5 | *57 | *51 | *1,921 | 21,002 | 5,431 | 20,465 | 96,872 | 14,019 | 13,659 | 214 | 447 | 7,759 | 13,212 | *51 | *360 |
| Returns with per-country limitation | — | — | *48 | *1,911 | 9,728 | 3,617 | 9,192 | 80,625 | 12,039 | 11,681 | 77 | 85 | 5,934 | 11,596 | *48 | *358 |
| Returns with overall limitation | *5 | *57 | *3 | *10 | 11,274 | 1,814 | 11,274 | 16,248 | 1,980 | 1,977 | 137 | 362 | 1,825 | 1,616 | *3 | *3 |
| Country not stated or not allocable and other income from outside the United States | 317 | 3,955 | 68 | 370 | 5,713 | 2,181 | 5,703 | 68,503 | 14,320 | 14,292 | 7,682 | 1,781 | 8,004 | 12,406 | *58 | *28 |
| Returns with per-country limitation | *60 | *1,125 | *45 | *156 | 2,546 | 975 | 2,543 | 29,052 | 6,503 | 6,481 | 2,410 | 556 | 3,568 | 5,919 | *45 | *22 |
| Returns with overall limitation | 257 | 2,830 | 23 | 214 | 3,167 | 1,206 | 3,160 | 39,451 | 7,817 | 7,811 | 5,272 | 1,226 | 4,436 | 6,488 | *13 | *6 |

*Estimate should be used with caution because of the small number of sample returns on which it was based.

†Includes "DISC dividends" and "Foreign oil-related income" which are not shown separately.

NOTE: The data in columns 2 through 6 pertain to the total activity of the taxpayer with income or taxes attributable to a particular country. Since many taxpayers have income or taxes attributable to more than one country, the data in these columns are not additive to any meaningful totals. Detail may not add to total because of rounding.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 14.—Income and Taxes, and Foreign Income, Taxes and Credit, Number of Returns and Amounts From Forms 1040 and 1116

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| | Number of returns | Amount |
|---|----------------------|------------|
| Income and taxes (All sources): | | |
| Adjusted gross income: | | |
| Total | 210,725 | 10,701,592 |
| Salaries and wages | 148,671 | 4,435,314 |
| Business and profession: | | |
| Net profit | 26,795 | 726,338 |
| Net loss | 10,838 | 87,257 |
| Sales of capital assets: | | |
| Net gain | 63,812 | 769,923 |
| Net loss | 61,830 | 50,862 |
| Dividends in adjusted gross income | 157,552 | 2,610,763 |
| Royalty: | | |
| Net income | 10,464 | 108,189 |
| Net loss | 659 | 6,169 |
| Estate or trust: | | |
| Total profit | 29,395 | 256,307 |
| Total loss | 2,010 | 8,188 |
| Total deductions | 207,887 | 2,318,596 |
| Exemptions | 210,725 | 497,749 |
| Taxable income | 210,725 | 7,885,244 |
| U.S. income tax before credits | 210,725 | 3,052,630 |
| U.S. income tax against which foreign tax credit is allowed | 210,725 | 3,039,241 |
| Foreign tax credit claimed | 210,725 | 328,927 |
| U.S. income tax after credits | 192,488 | 2,671,845 |
| Additional tax for tax preferences | 1,046 | 18,606 |
| Total U.S. income tax | 192,659 | 2,690,451 |
| Foreign income and taxes: | | |
| Gross income: | | |
| Total | 210,725 | 1,855,461 |
| Other than DISC dividends, certain interest and foreign oil-related income: | | |
| Dividends | 102,785 | 231,950 |
| Rents and royalties | 6,894 | 34,095 |
| Wages, salaries and other employee compensation | 53,635 | 1,117,308 |
| Gross gain from sale of capital assets | 4,078 | 80,532 |
| Business or profession | 3,560 | 86,105 |
| Estates and trusts | 3,800 | 32,720 |
| DISC dividends | *7 | *46 |
| Certain interest | 12,473 | 31,423 |
| Foreign oil-related income | *4 | *1,128 |
| Deductions: | | |
| Total | 58,859 | 193,756 |
| On income other than DISC dividends, certain interest and foreign oil-related income: | | |
| Total | 58,050 | 190,403 |
| Gross capital loss and other losses from foreign sources | 1,981 | 8,636 |
| On certain interest | 3,103 | 3,215 |
| Taxable income (less loss): | | |
| Total | 210,725 | 1,661,700 |
| Other than DISC dividends, certain interest and foreign oil-related income | 203,400 | 1,632,456 |
| DISC dividends | *7 | *46 |
| Certain interest | 12,439 | 28,207 |
| Foreign oil-related income | *4 | *991 |
| Foreign taxes available for credit: | | |
| Foreign taxes paid or accrued | 208,617 | 439,515 |
| On income other than DISC dividends, certain interest and foreign oil-related income: | | |
| Taxes withheld on dividends | 99,537 | 39,813 |
| Taxes withheld on rents and royalties | 4,415 | 3,982 |
| Other foreign taxes paid or accrued | 105,601 | 390,093 |
| On DISC dividends | *7 | *9 |
| On certain interest | 10,985 | 5,138 |
| On foreign oil-related income | *4 | *481 |
| Reduction for certain foreign taxes: | | |
| Total | *173 | *753 |
| On income other than DISC dividends, certain interest and foreign oil-related income | *173 | *753 |
| Carryover: | | |
| Total | 26,950 | 194,408 |
| On income other than DISC dividends, certain interest and foreign oil-related income | 26,685 | 193,690 |
| On certain interest | 1,062 | 698 |
| Total foreign taxes | 210,725 | 633,176 |
| Foreign tax credit computed | 210,725 | 329,589 |

*Estimate should be used with caution because of the small number of sample returns on which it was based.
NOTE: Detail may not add to total because of rounding.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH FORM 2555, EXEMPTION OF INCOME EARNED ABROAD
Table 15.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country | Number of returns | Income and taxes from all sources | | | | | | | | |
|--|-------------------|-----------------------------------|----------------|--|----------------------------|-----------------------------------|---------------|---|-------------------------------|----------------|
| | | Adjusted gross income | Taxable income | U.S. income tax against which foreign tax credit was allowed | Foreign tax credit claimed | Gross income from foreign sources | Deductions | Taxable income less loss from foreign sources | Foreign taxes paid or accrued | Carryover |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
| All geographic areas | 32,982 | 1,025,009 | 829,682 | 253,071 | 168,256 | 849,691 | 80,660 | 769,029 | 262,588 | 164,016 |
| Canada | 3,464 | 94,016 | 72,406 | 22,465 | 16,439 | 75,207 | 8,955 | 66,251 | 41,147 | 21,652 |
| Latin America, total | 5,912 | 175,018 | 144,905 | 43,458 | 29,353 | 154,671 | 12,518 | 142,153 | 41,861 | 30,148 |
| Mexico | 1,195 | 34,886 | 28,619 | 9,060 | 5,871 | 30,770 | 2,065 | 28,705 | 11,075 | 8,377 |
| Central America, total | 296 | 8,155 | 7,104 | 2,105 | 1,265 | 7,554 | 492 | 7,062 | 1,404 | *830 |
| Panama (excluding Canal Zone) | 135 | 4,880 | 4,297 | 1,337 | 704 | 4,396 | 400 | 3,996 | 835 | *408 |
| Caribbean countries, total | 279 | 7,300 | 5,534 | 1,621 | 1,137 | 6,080 | 432 | 5,648 | 2,240 | 2,127 |
| Jamaica | 124 | 3,615 | 2,746 | 884 | 591 | 2,772 | 365 | 2,408 | 1,285 | *460 |
| South America, total | 4,286 | 131,171 | 109,511 | 32,831 | 21,988 | 115,762 | 9,784 | 105,977 | 28,054 | 19,265 |
| Argentina | 127 | 3,389 | 2,854 | 752 | 555 | 3,288 | 199 | 3,089 | *192 | *3,003 |
| Brazil | 1,871 | 62,160 | 52,341 | 15,424 | 11,597 | 54,048 | 4,735 | 49,313 | 14,898 | 6,232 |
| Colombia | 315 | 7,629 | 5,685 | 1,940 | 841 | 7,075 | 798 | 6,277 | 1,959 | 1,659 |
| Ecuador | 162 | 3,961 | 3,229 | 830 | 730 | 3,531 | *234 | 3,298 | 1,548 | *1,155 |
| Peru | 465 | 10,013 | 7,811 | 2,023 | 1,691 | 9,299 | 620 | 8,679 | 3,659 | 714 |
| Venezuela | 1,273 | 42,120 | 35,662 | 11,376 | 6,238 | 37,352 | 3,367 | 33,985 | 5,457 | 4,622 |
| Other Western Hemisphere, total | 167 | 5,555 | 4,136 | 1,318 | 1,046 | 5,454 | 906 | 4,548 | 1,790 | 1,909 |
| Netherlands Antilles | 60 | 2,385 | 2,059 | 626 | 554 | 2,295 | 155 | 2,140 | 1,161 | *1,440 |
| Europe, total | 12,437 | 475,128 | 380,916 | 123,574 | 77,071 | 376,313 | 40,904 | 335,408 | 108,243 | 59,103 |
| Common Market countries, total | 10,624 | 410,831 | 327,267 | 107,005 | 65,395 | 320,059 | 34,411 | 285,647 | 91,616 | 49,792 |
| Belgium | 1,904 | 77,103 | 65,810 | 21,083 | 16,055 | 66,056 | 4,248 | 61,807 | 21,758 | 12,013 |
| Denmark | 111 | 2,872 | 2,446 | 770 | 700 | 2,736 | 203 | 2,533 | 1,000 | 465 |
| France (including Andorra) | 1,576 | 69,689 | 57,777 | 19,788 | 11,759 | 56,527 | 5,917 | 50,610 | 14,418 | 7,554 |
| Italy (including San Marino) | 457 | 43,197 | 25,449 | 13,312 | 1,979 | 12,009 | 1,132 | 10,877 | 2,472 | 1,855 |
| Luxembourg | 215 | 8,045 | 6,968 | 2,097 | 1,753 | 7,645 | 643 | 7,002 | 2,832 | 3,324 |
| Netherlands | 919 | 32,465 | 26,425 | 8,340 | 5,635 | 27,895 | 4,147 | 23,748 | 8,362 | 5,153 |
| United Kingdom | 4,187 | 172,765 | 127,179 | 43,369 | 20,489 | 118,138 | 15,089 | 103,048 | 27,178 | 9,876 |
| West Germany | 1,853 | 65,497 | 54,837 | 17,521 | 14,134 | 58,587 | 7,194 | 51,392 | 22,867 | 16,621 |
| Other West European countries, total | 2,210 | 81,694 | 67,905 | 21,566 | 15,159 | 72,523 | 9,146 | 63,377 | 21,482 | 13,841 |
| Austria | 158 | 6,192 | 5,360 | 1,732 | 1,462 | 5,649 | 398 | 5,251 | 2,377 | 635 |
| Greece | 68 | 2,108 | 1,833 | 604 | 302 | 1,812 | 286 | 1,526 | 430 | *399 |
| Norway | 179 | 4,895 | 4,061 | 1,152 | 1,072 | 4,705 | 256 | 4,449 | 2,333 | 1,064 |
| Portugal | 93 | 2,263 | 1,868 | 565 | 453 | 2,262 | *511 | 1,751 | *645 | *358 |
| Spain | 509 | 15,625 | 12,555 | 3,558 | 1,909 | 14,279 | 2,444 | 11,835 | 1,915 | 1,173 |
| Sweden | 137 | 5,306 | 4,640 | 1,548 | 1,390 | 4,880 | 326 | 4,554 | 2,798 | 1,330 |
| Switzerland | 1,064 | 47,026 | 39,313 | 13,233 | 9,241 | 41,477 | 5,867 | 35,610 | 11,574 | 9,014 |
| Africa, total | 2,639 | 70,512 | 57,441 | 16,233 | 11,691 | 60,592 | 4,842 | 55,751 | 18,294 | 11,616 |
| North Africa, total | 942 | 24,502 | 20,472 | 5,629 | 4,948 | 22,897 | 1,195 | 21,702 | 9,205 | 3,963 |
| Egypt | 148 | 4,212 | 3,719 | 1,005 | 857 | 4,020 | *249 | 3,772 | 1,380 | *236 |
| Libya | 644 | 18,180 | 15,246 | 4,278 | 3,887 | 16,939 | 861 | 16,078 | 7,324 | 3,679 |
| East Africa | 154 | 3,234 | 2,727 | 666 | 500 | 3,350 | *166 | 3,184 | *368 | *699 |
| West and Central African countries, total | 959 | 24,634 | 19,544 | 5,198 | 3,631 | 20,099 | 2,117 | 17,981 | 5,262 | 5,126 |
| Nigeria | 502 | 15,829 | 12,845 | 3,591 | 2,475 | 12,295 | 1,431 | 10,864 | 3,405 | 4,191 |
| Southern Africa, total | 669 | 20,022 | 15,952 | 5,070 | 2,889 | 15,595 | 1,466 | 14,129 | 3,924 | 2,025 |
| South Africa (including South-West Africa) | 599 | 19,187 | 15,422 | 4,961 | 2,882 | 15,479 | 1,440 | 14,038 | 3,905 | 2,025 |
| Asia, total | 9,144 | 253,341 | 210,011 | 61,018 | 42,398 | 222,034 | 19,060 | 202,974 | 62,504 | 46,177 |
| Middle East, total | 3,606 | 82,925 | 66,512 | 17,869 | 13,238 | 71,509 | 7,063 | 64,445 | 20,535 | 21,263 |
| Iran | 1,168 | 31,508 | 25,612 | 7,187 | 5,492 | 26,864 | 2,927 | 23,936 | 9,853 | 2,832 |
| Lebanon | 80 | 2,745 | 2,370 | 678 | 417 | 3,080 | *389 | 2,691 | 575 | *494 |
| Saudi Arabia | 2,220 | 44,762 | 35,335 | 9,047 | 6,691 | 38,254 | 3,645 | 34,609 | 9,565 | 17,439 |
| Southern and Southeastern Asia, total | 3,352 | 91,224 | 76,286 | 21,468 | 15,974 | 81,366 | 6,556 | 74,811 | 27,089 | 15,249 |
| Indonesia | 1,542 | 33,657 | 27,931 | 7,425 | 5,938 | 30,215 | 1,875 | 28,340 | 10,891 | 3,396 |
| Malaysia | 341 | 9,435 | 7,982 | 2,340 | 1,833 | 8,842 | 463 | 8,379 | 2,486 | 2,220 |
| Philippines | 476 | 14,066 | 11,756 | 3,243 | 2,324 | 13,344 | 2,083 | 11,261 | 4,901 | 4,563 |
| Singapore | 999 | 32,737 | 27,240 | 7,782 | 5,208 | 27,609 | 1,853 | 25,756 | 7,459 | 4,223 |
| Thailand | 141 | 5,066 | 4,473 | 1,314 | 1,002 | 4,854 | 454 | 4,400 | 1,283 | 1,165 |
| Eastern Asia, total | 2,272 | 83,241 | 70,845 | 23,098 | 13,977 | 73,005 | 5,787 | 67,218 | 15,487 | 10,241 |
| China, Republic of (Taiwan) | 253 | 7,152 | 6,213 | 1,811 | 1,120 | 6,085 | 269 | 5,816 | 1,151 | *730 |
| Hong Kong | 714 | 22,509 | 19,140 | 5,786 | 3,237 | 20,613 | 860 | 19,752 | 3,123 | 2,994 |
| Japan (including Okinawa and Ryukyu Islands) | 1,380 | 55,265 | 46,963 | 15,967 | 9,580 | 47,298 | 4,734 | 42,564 | 11,061 | 7,328 |
| South Korea, Republic of | 33 | 1,573 | 1,428 | 463 | 309 | 1,612 | *105 | 1,507 | 361 | *71 |
| Oceania, total | 1,068 | 28,878 | 23,802 | 6,851 | 4,030 | 23,904 | 2,421 | 21,482 | 7,221 | 4,462 |
| Australia | 698 | 20,545 | 17,225 | 5,237 | 3,625 | 17,807 | 1,982 | 15,825 | 6,644 | 4,269 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH FORM 2555, EXEMPTION OF INCOME EARNED ABROAD
Table 15.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country | Income and taxes from all sources—Continued | | Income and taxes from specific geographic categories | | | | | | |
|--|---|-----------------------------|--|-----------------------------|--------------|---------------------|--|---|------------------------|
| | Total foreign taxes available for credit | Foreign tax credit computed | Gross income | | | | | | |
| | | | Total | Other than certain interest | | | | | |
| | | | | Total | Dividends | Rents and royalties | Gross gain from sale of capital assets | Wages, salaries and other employee compensation | Business or profession |
| | (11) | (12) | (13) | (14) | (15) | (16) | (17) | (18) | (19) |
| All geographic areas | 426,606 | 168,539 | 849,691 | 844,639 | 4,664 | 3,275 | 13,488 | 785,045 | 22,823 |
| Canada | 62,800 | 16,441 | 54,725 | 53,727 | 699 | 449 | 956 | 46,102 | 3,872 |
| Latin America, total | 72,009 | 29,380 | 144,992 | 143,551 | 1,123 | *413 | 5,307 | 132,395 | 2,236 |
| Mexico | 19,451 | 5,878 | 27,933 | 26,660 | 174 | *72 | *1658 | 24,514 | *159 |
| Central America, total | 2,234 | 1,265 | 6,199 | 6,137 | *149 | *7 | *472 | 5,189 | *171 |
| Panama (excluding Canal Zone) | 1,243 | 704 | 3,172 | 3,110 | *11 | — | *472 | 2,471 | *7 |
| Caribbean countries, total | 4,367 | 1,147 | 5,712 | 5,701 | *34 | — | *224 | 5,443 | — |
| Jamaica | 1,746 | 591 | 2,596 | 2,596 | *34 | — | *224 | 2,338 | — |
| South America, total | 47,319 | 21,998 | 105,051 | 104,955 | 765 | *334 | 2,953 | 97,152 | 1,906 |
| Argentina | 3,194 | 556 | 2,096 | 2,096 | — | *2 | — | *2,077 | *16 |
| Brazil | 21,130 | 11,605 | 47,723 | 47,667 | 248 | *332 | 553 | 44,267 | *1,478 |
| Colombia | 3,618 | 841 | 6,367 | 6,367 | *68 | — | *2,323 | 3,716 | *254 |
| Ecuador | 2,704 | 730 | 3,377 | 3,377 | *244 | — | *29 | 2,988 | — |
| Peru | 4,373 | 1,691 | 8,371 | 8,370 | *31 | — | — | 8,336 | — |
| Venezuela | 10,079 | 6,238 | 34,385 | 34,346 | 175 | — | *48 | 33,036 | *158 |
| Other Western Hemisphere, total | 3,699 | 1,046 | 3,890 | 3,850 | *13 | *140 | *208 | 3,233 | — |
| Netherlands Antilles | 2,601 | 554 | 2,220 | 2,220 | *11 | *14 | — | 2,193 | — |
| Europe, total | 167,347 | 77,226 | 360,965 | 358,838 | 1,793 | 1,485 | 3,743 | 333,429 | 12,208 |
| Common Market countries, total | 141,409 | 65,496 | 302,784 | 301,256 | 962 | 1,119 | 3,391 | 280,363 | 10,392 |
| Belgium | 33,771 | 16,079 | 60,938 | 60,929 | *3 | *17 | *111 | 58,250 | *1,702 |
| Denmark | 1,464 | 707 | 1,272 | 1,265 | (*) | — | *16 | 1,103 | — |
| France (including Andorra) | 21,973 | 11,761 | 51,404 | 51,232 | 434 | *7 | *279 | 47,072 | 2,290 |
| Italy (including San Marino) | 4,328 | 1,979 | 10,268 | 10,267 | (*) | *16 | — | 9,098 | *597 |
| Luxembourg | 6,156 | 1,753 | 4,853 | 4,739 | — | — | *7 | 4,708 | — |
| Netherlands | 13,515 | 5,670 | 20,497 | 20,400 | 142 | *11 | *40 | 17,687 | *2,359 |
| United Kingdom | 37,054 | 20,506 | 101,857 | 101,302 | 138 | 338 | 2,292 | 97,239 | 638 |
| West Germany | 39,489 | 14,157 | 50,534 | 49,761 | 244 | *730 | 644 | 43,845 | 2,806 |
| Other West European countries, total | 35,323 | 15,214 | 57,715 | 57,121 | 830 | *365 | 352 | 52,626 | 1,817 |
| Austria | 3,012 | 1,462 | 4,778 | 4,734 | — | — | — | 4,731 | *2 |
| Greece | 829 | 302 | 1,485 | 1,485 | — | — | — | *1,482 | — |
| Norway | 3,397 | 1,072 | 3,850 | 3,850 | — | — | — | 3,800 | — |
| Portugal | 1,003 | 453 | *1,371 | *1,371 | — | — | — | *1,133 | *193 |
| Spain | 3,087 | 1,909 | 10,725 | 10,695 | (*) | *22 | — | 10,634 | *2 |
| Sweden | 4,127 | 1,390 | 4,316 | 4,316 | *1 | — | *27 | 4,246 | — |
| Switzerland | 20,588 | 9,296 | 30,115 | 29,595 | 826 | *344 | 325 | 25,546 | *1,619 |
| Africa, total | 29,910 | 11,697 | 47,775 | 47,773 | 196 | — | *132 | 46,109 | *140 |
| North Africa, total | 13,168 | 4,950 | 21,830 | 21,830 | — | — | *46 | 20,746 | — |
| Egypt | 1,616 | 857 | 3,872 | 3,872 | — | — | — | 3,808 | — |
| Libya | 11,003 | 3,889 | 16,020 | 16,020 | — | — | *46 | 15,000 | — |
| East Africa | 1,067 | 500 | 2,864 | 2,864 | *14 | — | — | *2,710 | *140 |
| West and Central African countries, total | 10,389 | 3,635 | 16,566 | 16,566 | — | — | *9 | 16,443 | — |
| Nigeria | 7,596 | 2,475 | 9,913 | 9,913 | — | — | *9 | 9,790 | — |
| Southern Africa, total | 5,949 | 2,889 | 6,515 | 6,514 | 182 | — | *77 | 6,210 | — |
| South Africa (including South-West Africa) | 5,930 | 2,882 | 6,397 | 6,396 | 181 | — | *76 | 6,094 | — |
| Asia, total | 108,681 | 42,472 | 210,277 | 210,010 | 800 | 330 | 2,469 | 198,663 | 4,161 |
| Middle East, total | 41,799 | 13,241 | 66,982 | 66,981 | *127 | *10 | *713 | 63,987 | *1,319 |
| Iran | 12,686 | 5,494 | 24,318 | 24,318 | — | — | *204 | 23,807 | *21 |
| Lebanon | 1,068 | 417 | 2,798 | 2,798 | — | — | — | 1,550 | *875 |
| Saudi Arabia | 27,004 | 6,692 | 37,184 | 37,184 | — | *10 | *509 | 36,235 | *264 |
| Southern and Southeastern Asia, total | 42,338 | 16,041 | 76,082 | 76,030 | *161 | *181 | *1,007 | 71,725 | *2,475 |
| Indonesia | 14,287 | 5,943 | 27,076 | 27,046 | — | *27 | *797 | 26,131 | (*) |
| Malaysia | 4,706 | 1,873 | 7,135 | 7,134 | — | — | — | 7,134 | — |
| Philippines | 9,463 | 2,324 | 12,301 | 12,301 | *161 | *154 | *65 | 10,380 | *1,423 |
| Singapore | 11,682 | 5,209 | 23,422 | 23,405 | — | — | *145 | 21,938 | *1,052 |
| Thailand | 2,448 | 1,023 | 3,991 | 3,986 | — | — | — | 3,986 | — |
| Eastern Asia, total | 25,828 | 14,003 | 67,212 | 66,999 | 511 | *139 | 748 | 62,952 | *367 |
| China, Republic of (Taiwan) | 1,881 | 1,142 | 5,182 | 5,150 | *14 | — | *198 | 4,937 | — |
| Hong Kong | 6,117 | 3,238 | 18,464 | 18,424 | *373 | — | *1 | 17,297 | *109 |
| Japan (including Okinawa and Ryukyu Islands) | 18,389 | 9,583 | 42,022 | 41,881 | 124 | *139 | *550 | 39,175 | *257 |
| South Korea, Republic of | 432 | 309 | 1,543 | 1,543 | — | — | — | 1,543 | — |
| Oceania, total | 11,683 | 4,040 | 20,301 | 20,286 | 11 | *453 | *527 | 19,144 | *9 |
| Australia | 10,913 | 3,626 | 14,508 | 14,493 | 11 | *453 | *527 | 13,352 | *7 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH FORM 2555, EXEMPTION OF INCOME EARNED ABROAD
Table 15.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

| Selected country | Income and taxes from specific geographic categories—Continued | | | | | | | |
|--|--|------------|---------------------------------------|-----------------------------------|--|--|--|--|
| | Gross income—Continued | Deductions | | | | | | |
| | Certain interest | Total | On income other than certain interest | | | | | Gross capital loss and other losses from foreign sources |
| | | | Total | Business or professional expenses | Expenses directly allocable to rents and royalties | Other expenses directly allocable to specific income items | Expenses not directly allocable to specific income items | |
| | (20) | (21) | (22) | (23) | (24) | (25) | (26) | (27) |
| All geographic areas | 5,052 | 80,660 | 80,213 | 5,055 | 1,113 | 27,329 | 45,562 | 1,154 |
| Canada | 998 | 6,450 | 6,365 | 566 | 204 | 1,144 | 4,311 | 139 |
| Latin America, total | 1,442 | 10,814 | 10,796 | *122 | *76 | 3,921 | 6,540 | 136 |
| Mexico | 1,274 | 1,920 | 1,907 | — | *36 | 169 | 1,684 | *18 |
| Central America, total | *62 | 377 | 377 | — | *2 | *227 | 147 | *(1) |
| Panama (excluding Canal Zone) | *62 | 314 | *314 | — | — | *190 | *124 | *(1) |
| Caribbean countries, total | *11 | 376 | 375 | — | — | *183 | 87 | *105 |
| Jamaica | — | 326 | 326 | — | — | *183 | *38 | *105 |
| South America, total | 95 | 8,139 | 8,137 | *122 | *38 | 3,343 | 4,621 | *13 |
| Argentina | — | *108 | *108 | *8 | *29 | *7 | *64 | — |
| Brazil | 56 | 3,328 | 3,327 | *9 | *9 | 1,255 | 2,043 | *11 |
| Colombia | — | 771 | 771 | — | — | *193 | 578 | — |
| Ecuador | — | *231 | *231 | — | — | *8 | *223 | — |
| Peru | *1 | 559 | 559 | *48 | — | *160 | 351 | *(1) |
| Venezuela | *38 | 3,008 | 3,007 | *59 | — | 1,643 | 1,304 | *1 |
| Other Western Hemisphere, total | *40 | 825 | 822 | — | *121 | *79 | 582 | *41 |
| Netherlands Antilles | — | 148 | 148 | — | *16 | *79 | 53 | — |
| Europe, total | 2,126 | 39,080 | 38,747 | 3,325 | 639 | 12,790 | 21,365 | 628 |
| Common Market countries, total | 1,528 | 32,138 | 31,827 | 2,080 | 385 | 9,852 | 18,940 | 569 |
| Belgium | 9 | 3,949 | 3,949 | *59 | *33 | 1,281 | 2,542 | *33 |
| Denmark | *7 | 112 | 111 | *2 | *4 | *43 | 58 | *8 |
| France (including Andorra) | 171 | 5,483 | 5,473 | *217 | *14 | 2,326 | 2,839 | *77 |
| Italy (including San Marino) | *1 | 443 | 443 | *6 | *15 | 104 | 317 | — |
| Luxembourg | 114 | 318 | 316 | — | — | *226 | 90 | — |
| Netherlands | *97 | 2,826 | 2,801 | *1,454 | *25 | 397 | 910 | *14 |
| United Kingdom | 355 | 13,024 | 12,974 | *25 | *162 | 3,402 | 9,292 | 93 |
| West Germany | 773 | 5,906 | 5,683 | *317 | *135 | 2,015 | 2,872 | *344 |
| Other West European countries, total | 594 | 6,938 | 6,917 | *1,245 | 254 | 2,938 | 2,421 | 58 |
| Austria | *43 | 254 | 252 | *1 | — | *65 | 184 | *1 |
| Greece | — | 244 | 244 | *85 | — | *109 | 50 | — |
| Norway | *(1) | 237 | 237 | — | *1 | *136 | 99 | — |
| Portugal | — | *381 | *381 | *20 | *9 | *312 | *40 | — |
| Spain | *30 | 1,237 | 1,236 | — | *26 | 1,053 | 157 | *(1) |
| Sweden | *(1) | 287 | 287 | — | — | *145 | 143 | *(1) |
| Switzerland | 521 | 4,133 | 4,115 | *1,139 | *218 | 1,023 | 1,678 | 57 |
| Africa, total | *1 | 2,920 | 2,920 | — | — | 1,160 | 1,760 | — |
| North Africa, total | — | 1,132 | 1,132 | — | — | 412 | 720 | — |
| Egypt | — | *245 | *245 | — | — | *214 | *31 | — |
| Libya | — | 801 | 801 | — | — | 162 | 639 | — |
| East Africa | — | *159 | *159 | — | — | *145 | *14 | — |
| West and Central African countries, total | — | 1,137 | 1,137 | — | — | 317 | 820 | — |
| Nigeria | — | 550 | 550 | — | — | *137 | 413 | — |
| Southern Africa, total | *1 | 491 | 491 | — | — | *286 | 205 | — |
| South Africa (including South-West Africa) | *1 | 465 | 465 | — | — | *286 | 179 | — |
| Asia, total | 266 | 16,874 | 16,869 | 732 | *37 | 6,389 | 9,576 | 135 |
| Middle East, total | *1 | 6,626 | 6,626 | *253 | *9 | 2,837 | 3,515 | *12 |
| Iran | — | 2,756 | 2,756 | *7 | — | 1,534 | 1,214 | *2 |
| Lebanon | — | *347 | *347 | *191 | — | *69 | *87 | — |
| Saudi Arabia | — | 3,400 | 3,400 | *10 | *9 | 1,234 | 2,136 | *10 |
| Southern and Southeastern Asia, total | 53 | 5,952 | 5,951 | *287 | *5 | 2,347 | 3,312 | — |
| Indonesia | *30 | 1,546 | 1,546 | — | *5 | 599 | 942 | — |
| Malaysia | *1 | 382 | 382 | — | — | 239 | 143 | — |
| Philippines | — | 2,009 | 2,009 | *96 | — | 749 | 1,165 | — |
| Singapore | *17 | 1,569 | 1,569 | *189 | — | 496 | 883 | — |
| Thailand | *5 | 269 | 269 | *2 | — | *124 | 143 | — |
| Eastern Asia, total | 213 | 4,296 | 4,292 | *192 | *23 | 1,204 | 2,749 | *124 |
| China, Republic of (Taiwan) | *32 | 234 | 234 | — | — | *113 | 120 | — |
| Hong Kong | *40 | 658 | 657 | *34 | — | 196 | 427 | *(1) |
| Japan (including Okinawa and Ryukyu Islands) | 140 | 3,301 | 3,298 | *158 | *23 | 823 | 2,171 | *123 |
| South Korea, Republic of | — | *103 | *103 | — | — | *73 | *30 | — |
| Oceania, total | *15 | 1,863 | 1,863 | — | *32 | 851 | 915 | *65 |
| Australia | *15 | 1,446 | 1,446 | — | *32 | 779 | 569 | *65 |

Footnotes at end of table.

RETURNS WITH FORM 1116 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED AND WITH FORM 2555, EXEMPTION OF INCOME EARNED ABROAD
Table 15.—Income and Taxes, and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

| Selected country | Income and taxes from specific geographic categories—Continued | | | | | | | | |
|--|--|-----------------------------|------------------|-------------------------------|---------------------------------------|--------------------|---------------------|-------------------------------------|---------------------|
| | Taxable income (less loss) | | | Foreign taxes paid or accrued | | | | | |
| | Total | Other than certain interest | Certain interest | Total | On income other than certain interest | | | | On certain interest |
| | | | | | Total | Taxes withheld on— | | Other foreign taxes paid or accrued | |
| | | | | | | Dividends | Rents and royalties | | |
| (28) | (29) | (30) | (31) | (32) | (33) | (34) | (35) | (36) | |
| All geographic areas | 769,029 | 764,423 | 4,605 | 262,588 | 261,775 | 478 | *212 | 261,084 | 813 |
| Canada | 48,275 | 47,362 | 913 | 33,803 | 33,585 | 22 | '(1) | 33,563 | 219 |
| Latin America, total | 134,178 | 132,755 | 1,424 | 40,012 | 39,799 | 129 | *1 | 39,669 | 213 |
| Mexico | 26,013 | 24,753 | 1,260 | 10,658 | 10,452 | *24 | — | 10,429 | 206 |
| Central America, total | 5,822 | 5,760 | *61 | 1,147 | 1,147 | '(1) | — | 1,147 | '(1) |
| Panama (excluding Canal Zone) | 2,857 | 2,796 | *61 | 688 | 688 | — | — | 688 | '(1) |
| Caribbean countries, total | 5,335 | 5,325 | *10 | 2,194 | 2,194 | — | — | 2,194 | — |
| Jamaica | 2,271 | 2,271 | — | 1,268 | 1,268 | — | — | 1,268 | — |
| South America, total | 96,911 | 96,819 | 93 | 26,005 | 25,998 | 105 | *1 | 25,892 | 7 |
| Argentina | 1,988 | 1,988 | — | *115 | *115 | — | — | *115 | — |
| Brazil | 44,395 | 44,340 | 55 | 13,513 | 13,509 | *37 | *1 | 13,471 | *4 |
| Colombia | 5,596 | 5,596 | — | 1,779 | 1,779 | *20 | — | 1,758 | — |
| Ecuador | 3,146 | 3,146 | — | 1,515 | 1,515 | *37 | — | 1,478 | — |
| Peru | 7,812 | 7,811 | *1 | 3,536 | 3,536 | *8 | — | 3,528 | '(1) |
| Venezuela | 31,376 | 31,339 | *37 | 4,932 | 4,929 | *2 | — | 4,927 | *3 |
| Other Western Hemisphere, total | 3,065 | 3,027 | *37 | 1,356 | 1,356 | '(1) | — | 1,356 | — |
| Netherlands Antilles | 2,072 | 2,072 | — | 1,144 | 1,144 | — | — | 1,144 | — |
| Europe, total | 321,884 | 320,090 | 1,794 | 104,225 | 103,901 | 230 | *73 | 103,599 | 324 |
| Common Market countries, total | 270,845 | 269,429 | 1,217 | 87,243 | 87,076 | 166 | *67 | 86,843 | 167 |
| Belgium | 56,990 | 56,981 | 9 | 20,420 | 20,418 | '(1) | *1 | 20,417 | *2 |
| Denmark | 1,160 | 1,153 | *7 | 393 | 392 | — | — | 392 | *1 |
| France (including Andorra) | 45,921 | 45,760 | 161 | 12,409 | 12,373 | *33 | — | 12,339 | 36 |
| Italy (including San Marino) | 9,825 | 9,824 | *1 | 1,979 | 1,979 | — | — | 1,979 | '(1) |
| Luxembourg | 4,536 | 4,423 | 112 | 1,824 | 1,824 | — | — | 1,824 | — |
| Netherlands | 17,671 | 17,600 | *71 | 6,711 | 6,711 | 63 | — | 6,648 | '(1) |
| United Kingdom | 88,833 | 88,328 | 305 | 22,490 | 22,435 | 41 | *66 | 22,328 | 55 |
| West Germany | 44,628 | 44,078 | 550 | 20,903 | 20,831 | *28 | — | 20,803 | 72 |
| Other West European countries, total | 50,777 | 50,204 | 573 | 16,835 | 16,679 | 64 | *6 | 16,609 | 156 |
| Austria | 4,523 | 4,483 | *40 | 2,063 | 2,044 | — | — | 2,044 | *19 |
| Greece | 1,240 | 1,240 | — | 320 | 320 | — | — | 320 | — |
| Norway | 3,613 | 3,613 | '(1) | 2,089 | 2,089 | — | — | 2,089 | — |
| Portugal | 990 | 990 | — | *337 | *337 | '(1) | — | *337 | — |
| Spain | 9,488 | 9,459 | *29 | 1,464 | 1,464 | '(1) | '(1) | 1,464 | — |
| Sweden | 4,029 | 4,029 | '(1) | 2,495 | 2,495 | *1 | — | 2,495 | '(1) |
| Switzerland | 25,982 | 25,479 | 503 | 7,854 | 7,717 | 63 | *6 | 7,648 | 137 |
| Africa, total | 44,855 | 44,853 | *1 | 15,897 | 15,897 | 24 | — | 15,873 | — |
| North Africa, total | 20,697 | 20,697 | — | 9,006 | 9,006 | — | — | 9,006 | — |
| Egypt | 3,627 | 3,627 | — | 1,369 | 1,369 | — | — | 1,369 | — |
| Libya | 15,219 | 15,219 | — | 7,135 | 7,135 | — | — | 7,135 | — |
| East Africa | 2,705 | 2,705 | — | *284 | *284 | *3 | — | *282 | — |
| West and Central African countries, total | 15,429 | 15,429 | — | 4,667 | 4,667 | — | — | 4,667 | — |
| Nigeria | 9,363 | 9,363 | — | 3,092 | 3,092 | — | — | 3,092 | — |
| Southern Africa, total | 6,023 | 6,022 | *1 | 1,940 | 1,940 | 21 | — | 1,919 | — |
| South Africa (including South-West Africa) | 5,932 | 5,931 | *1 | 1,921 | 1,921 | 21 | — | 1,900 | — |
| Asia, total | 193,402 | 193,141 | 261 | 59,633 | 59,600 | 68 | *6 | 59,525 | 33 |
| Middle East, total | 60,356 | 60,355 | *1 | 19,300 | 19,300 | *59 | — | 19,241 | — |
| Iran | 21,562 | 21,562 | — | 9,340 | 9,340 | — | — | 9,340 | — |
| Lebanon | 2,451 | 2,451 | — | 514 | 514 | — | — | 514 | — |
| Saudi Arabia | 33,784 | 33,784 | — | 9,118 | 9,118 | — | — | 9,118 | — |
| Southern and Southeastern Asia, total | 70,130 | 70,079 | 51 | 25,855 | 25,855 | '(1) | — | 25,854 | — |
| Indonesia | 25,530 | 25,500 | *30 | 10,130 | 10,130 | — | — | 10,130 | — |
| Malaysia | 6,752 | 6,752 | *1 | 2,371 | 2,371 | — | — | 2,371 | — |
| Philippines | 10,292 | 10,292 | — | 4,600 | 4,600 | '(1) | — | 4,600 | — |
| Singapore | 21,836 | 21,836 | *16 | 6,889 | 6,889 | — | — | 6,889 | — |
| Thailand | 3,722 | 3,717 | *5 | 1,061 | 1,061 | — | — | 1,061 | — |
| Eastern Asia, total | 62,915 | 62,707 | 209 | 14,478 | 14,445 | 9 | *6 | 14,429 | 33 |
| China, Republic of (Taiwan) | 4,949 | 4,916 | *32 | 1,066 | 1,060 | *5 | — | 1,055 | *6 |
| Hong Kong | 17,806 | 17,767 | *39 | 2,761 | 2,761 | '(1) | — | 2,761 | '(1) |
| Japan (including Okinawa and Ryukyu Islands) | 38,720 | 38,583 | 137 | 10,292 | 10,266 | 4 | *6 | 10,256 | 26 |
| South Korea, Republic of | 1,440 | 1,440 | — | 358 | 358 | — | — | 358 | — |
| Oceania, total | 18,438 | 18,424 | *15 | 6,638 | 6,635 | *1 | *131 | 6,502 | *3 |
| Australia | 13,062 | 13,047 | *15 | 6,116 | 6,113 | *1 | *131 | 5,980 | *3 |

*Estimate should be used with caution because of the small number of sample returns on which it was based.

*Less than \$500 per return.

NOTE: The data in columns 2 through 12 pertain to the total activity of the taxpayer with income or taxes attributable to a particular country. Since many taxpayers have income or taxes attributable to more than one country, the data in these columns are not additive to any meaningful totals. Detail may not add to total because of rounding.

Section 4

Explanation of Terms

The following explanations include definitions and limitations of the data, as well as descriptions of adjustments made in processing the statistics. The terms explained in this section are unique to the Exemption of Income Earned Abroad by Individuals, and to the Computation of Foreign Tax Credit by Individuals. For the related data items shown which are reported by taxpayers on the U.S. Individual Income Tax Return, Form 1040, the explanations of them can be found in Statistics of Income--1975 Individual Income Tax Returns. The explanations contained in this section are designed to aid the user in interpreting the statistical content of this report and should not be construed as interpretations of the Internal Revenue Code or related regulations, procedures, or policies. Code sections cited were those in effect for 1975.

Bona Fide Foreign Residence Test

Determination of whether a U.S. citizen was a bona fide foreign resident was dependent on the application of the principles of Code section 871 relating to what constituted residence or nonresidence of an alien in the United States. Generally, bona fide foreign residence was determined by the taxpayer's length and nature of stay abroad. The criterion was to establish a distinction between transients and those who truly made their home abroad and who thus assumed all corresponding obligations. Under this test, taxpayers had to be bona fide foreign residents for a full tax year before they could exempt any foreign earned income.

A taxpayer did not fail to meet the requirements if there was ultimate intention to return home to the United States. Thus it was possible for a taxpayer's domicile to be in the United States while having a bona fide residence abroad.

Business or Profession Income

This source of foreign gross income was reported on Form 1116 by individuals who were sole proprietors of foreign businesses and by self-employed members of professions. Includible in gross income from businesses or professions were gross receipts and professional fees, but not any gain from the sale of capital assets, rents, royalties or dividend income which were required to be reported separately on Form 1116. Expenses attributable to business or professional income as well as business losses also were required to be reported separately. Business or profession income reported on Form 1116 did not include any tax-exempt amounts reported on Form 2555.

Business Income Less Loss

Net business income was reported on Form 2555 by individuals who were sole proprietors of foreign businesses and by self-employed taxpayers engaged in professional occupations such as doctors and lawyers. Generally, sole proprietors abroad whose income resulted from business establishments in which they had a capital investment and from which they rendered

personal services could exempt from U.S. tax no more than 30 percent of the net profit. This percentage depended on the value of the taxpayers personal services to the business and in some cases it was not even possible to allow as much as 30 percent of the net profits as "earned income." In cases where capital was not an income-producing factor so that only personal services produced the income, the 30 percent rule did not apply. In this case, all of the income was considered earned.

Carryover

This was the remaining amount of subsequent or prior years' creditable foreign taxes in excess of the limitation, per-country or overall for the year in which the taxes were paid or accrued. These excess taxes were carried back or over and included with current year creditable foreign taxes. Excess foreign taxes could be carried back 2 years and forward 5 years. They were applied against any "excess limitation" which was the amount by which limitation on the credit exceeded current year creditable foreign taxes.

Excess taxes were first applied against the excess limitation, if any, of the second preceding year, and then of the first preceding year. Amounts remaining, if any, were then carried over to the first, second, and succeeding years through the fifth year, for inclusion in the foreign tax credit. If they could not be included in the foreign tax credit by the fifth year, they could not be used. There are no data on carrybacks because the excess tax carried back was reported only on amended returns and amended returns for prior years were not used for the statistics.

Taxpayers could not credit excess taxes for a year in which one method of limitation was used against excess limitation for a year in which the other method was used. Also, taxpayers could not carry back or carry over eligible foreign taxes in excess of the limitation to a year in which foreign taxes were taken as a deduction.

For purposes of determining the foreign tax credit, taxpayers using the per-country limitation were required to compute the carryback and carryover for each country separately. When the overall limitation was used, taxpayers were not required to report the amount of carryback or carryover on a country basis. In addition, the foreign tax credit limitation had to be computed separately with respect to the aggregate dividends received from all Domestic International Sales Corporations (DISC's). See also "Domestic International Sales Corporation (DISC) Dividends."

Certain Interest Income

A separate foreign tax credit computation for certain interest income was required by Code section 904. The interest to which the separate computation applied was defined, specifically, as all interest income except amounts:

- (1) derived from any transaction which was directly

related to the active conduct of a foreign trade or business, such as interest on accounts receivable by a foreign business arising from its ordinary business transactions;

(2) derived from the conduct of a banking, financing, or similar business;

(3) received from a foreign corporation in which the U.S. taxpayer owned, directly or indirectly, at least 10 percent of the voting stock; and

(4) received on obligations acquired where it was necessary to dispose of an active foreign trade or business or to dispose of securities in a foreign corporation in which the U.S. taxpayer owned at least 10 percent of the voting stock.

Credit-Limitation Method

The amounts classified by credit limitation method were based on the method used by the taxpayer in the foreign tax credit computation on Form 1116. The limitation established a ceiling on the amount of foreign taxes which could be claimed as a credit in any one year, so that the taxpayer was subject to the higher of the effective U.S. or foreign tax rate on taxable income from foreign sources. This ceiling, in effect, prevented the credit from reducing that portion of the U.S. tax attributable to income derived from within the United States. Taxpayers were permitted to choose from two alternative methods: (1) the per-country limitation and (2) the overall limitation. See also "Per-Country Limitation Method" and "Overall Limitation Method."

Deductions

In determining taxable income from sources within a particular foreign country on Form 1116, expenses, costs or losses connected with producing foreign source gross income were allowed as deductions from the foreign gross income reported. Includible as common types of expenses related to sole proprietorships and professionals in foreign countries were those for administrative, general selling, delivery, freight, utilities, insurance, legal, professional fees, salaries and wages (excluding those payments to owners or partners) and cost of sales and operations. Deductions related to rent and royalty income included repairs, depreciation and depletion. Gross capital losses were also considered as deductions in the computation of taxable income from foreign sources.

In addition, those expenses not directly allocable to specific income items had to be apportioned to foreign income by a fraction. The numerator of the fraction was the gross income from sources within a particular foreign country and the denominator was gross income from all sources, both domestic and foreign.

Dividends

Dividends received directly or indirectly from outside the United States were required to be reported separately by taxpayers filing Form 1116. Generally, a foreign dividend was any distribution made by a foreign corporation to stockholders, whether in money or in property, out of earnings and profits. Dividends received indirectly as a beneficiary of income from foreign estates or trusts and as a partner's distributive share of foreign partnership profits retained their characteristics and were reported as foreign dividends on Form 1116. Liquidation distributions, distributions of stock rights and returns of capital were excluded from foreign dividends. Dividends from abroad were not eligible for the dividend exclusion reported on Form 1040.

Domestic International Sales Corporation (DISC) Dividends

Dividends deemed or actually paid by a DISC were treated as dividends from outside the United States to the extent the dividends were attributable to certain export receipts of the DISC. Thus, all stockholders could claim a foreign tax credit for any foreign taxes imposed directly on a DISC dividend. The limitation on foreign tax credit was applied separately with respect to aggregate dividends received from all DISC's.

Estate or Trust

This source of foreign gross income reported on Form 1116 was the beneficiaries' share of fiduciary income from a foreign estate or trust. Ordinary income from estates or trusts included amounts required to be distributed and amounts credited to the beneficiary's account from current year fiduciary income whether or not actually received plus all other amounts actually paid or credited to the beneficiary to the extent of their distributable income.

Taxpayers excluded from estate or trust gross income their share of dividends, gains or losses from sales of capital assets and estate or trust losses which were required to be reported separately on the Form 1116.

Foreign Tax Credit Claimed

A credit against U.S. income tax was permitted for foreign taxes paid or accrued only if nonbusiness deductions were itemized and the foreign tax was excluded from those deductions. The credit claimed on Form 1040 related to the income and profits taxes paid or accrued to foreign countries or U.S. possessions (including Puerto Rico) of the United States and included the taxpayer's share of such taxes paid through partnerships and fiduciaries. The tax credit was limited to the same proportion of the U.S. income tax against which foreign tax credit was allowed, as the taxable income from foreign sources bore to the entire taxable income, but could not exceed the amount of foreign tax paid. Amounts in excess of the limitation could be carried back 2 years and the remainder carried forward 5 years for use in computing the credit for these years. See also "Carryover" and "U.S. income tax against which foreign tax credit was allowed."

Foreign Tax Credit Computed

This is the amount shown on the Form 1116, "Computation of Foreign Tax Credit—Individuals, Fiduciary, or Nonresident Alien Individual." The tables show both total foreign tax credit computed and the separate foreign tax credit computed for taxes on certain interest.

In some instances the total foreign tax credit "computed" was greater than the foreign tax credit "claimed" on the individual income tax return, which limited the credit claimed to U.S. income tax before all credits, except the personal exemption credit. (See "U.S. income tax against which foreign tax credit was allowed.") For the most part, this situation occurred on returns with the per-country limitation method of computing the credit (see "Per-country credit-limitation method,") when there was a net loss associated with one or more foreign countries. Under this limitation method, the tax credit was computed separately for each country or U.S. possession

(including Puerto Rico) for which there was both taxable income and eligible foreign taxes, using the following formula:

| | | |
|--|---|--|
| U.S. income tax against which foreign tax credit was allowed | X | Taxable income from sources within the foreign country or U.S. possessions |
| | | Taxable income from all sources, foreign and domestic |

Consequently, for countries where net losses were incurred, the sum of the taxable income from each country where there was net income or profit (which was the numerator of the fraction shown above) exceeded the individual's total net taxable income from foreign sources, which included the foreign losses. As a result, the foreign tax credit computed on the Form 1116 could exceed the U.S. tax liability on total taxable income, an amount that reflected losses as well as income. Foreign tax credit computed on Form 1116 in excess of foreign tax credit claimed on the individual income tax return could also occur when an individual using the per-country limitation had an overall loss from domestic sources which was less than the overall income from foreign sources.

Foreign Taxes Paid or Accrued

Foreign taxes paid or accrued by the U.S. taxpayer were income, war profits and excess profits taxes paid or accrued to foreign countries or U.S. possessions (including Puerto Rico). These taxes included amounts withheld on dividends, rents, royalties and similar remittances, DISC dividends and certain interest. All the taxes must actually have been paid, or normally have been accrued in a way that fixed the amount of tax and established the liability of the taxpayer, before they qualified as creditable. If later payment of the tax differed from the amount of the tax formerly reported, the foreign tax credit had to be adjusted accordingly for the year the credit was taken.

Geographic Classification: Area or Country

The amounts classified by country (and appropriate area and subarea) in the statistics for tax exempt income earned abroad were based on the country of bona fide foreign residence or 17-month foreign presence reported by the taxpayer on Form 2555. If the taxpayer claimed the exemption based on 17-month foreign presence and more than one country was shown, the country to which the Form 2555 data were assigned was the country for which the taxpayer reported the greatest number of full days of presence during the taxable year (because the foreign earned income was reported in total and not by country). In the case of joint returns with a separate Form 2555 for husband and wife, if two separate countries were reported, the country to which the combined Form 2555 amounts were assigned was the one having the largest amount of total foreign earned income.

The amounts classified by country (and appropriate area and subarea) for the foreign tax credit statistics were based on the country to which taxable income (or loss) was attributed or to which foreign taxes were paid or accrued as reported on Form 1116.

Also, since the foreign tax credit for foreign taxes paid or accrued on DISC dividends were required to be computed without regard to country on their aggregate they could not be attributed to a specific foreign country. As a result they were tabulated separately and included in the "All geographic areas, total" line. In addition, even though the foreign taxes paid or accrued with respect to foreign oil-related income were reported on a country-by-country basis the foreign tax credit statistics present them on their aggregate in the "All geographic areas, total" line.

The grouping of countries into areas and subareas in the tables was based on the classification of country designations used by the Department of Commerce for 1975 in compiling U.S. foreign trade statistics.

Gross Gain from Sales of Capital Assets

This source of foreign gross income reported on Form 1116 by individuals represented the difference between the gross sales price and the cost (or other basis) from the sale or exchange of capital assets. Capital assets, for tax purposes, meant property either held for personal use or property regarded or treated as an investment, such as stocks, bonds, and nonbusiness real estate. Included in gross gain was the net gain (after adjustments for the property types mentioned below) from the sale or exchange of property held for more than 6 months and used in a trade or business under Code section 1231, even though such property was excluded from the tax definition of capital assets. Examples of the property or transactions covered by section 1231, were depreciable, depletable, and real property used in a trade or business; most livestock if held for breeding purposes; the value of unharvested crops sold with the land they grew on; certain cut timber; and under specified conditions, iron, timber, and coal rights. In computing net gain under section 1231, certain adjustments first had to be made in the case of depreciable and real property including farmland.

Gross capital gain also included the net capital gain received from a partnership, estate or trust, or from a Small Business Corporation electing to be taxed through its stockholders.

Any gross loss from the sale of capital assets was included in the table column, "Gross capital loss and other losses from foreign sources." See also "Deductions."

Gross Income from Foreign Sources

The following types of foreign source income were required to be reported separately on the Form 1116:

- (1) Dividends
- (2) Rents and royalties
- (3) Salaries and wages
- (4) Business or profession income
- (5) Estate or trust income
- (6) Gross gain from sales of capital assets
- (7) Dividends from DISC's
- (8) Certain interest income, and
- (9) Foreign oil-related income

Gross income from foreign sources did not include any tax-exempt foreign earned income from personal services reported on Form 2555.

Overall Credit Limitation Method

Under the overall limitation method, the foreign tax credit was computed based on the sum of foreign taxes paid or accrued to all foreign countries and U.S. possessions (including Puerto Rico). The credit could not exceed the proportion of U.S. income tax which taxable income from all foreign sources bore to total taxable income, both domestic and foreign. The formula used was:

| | | |
|--|---|--|
| U.S. income tax against which foreign tax credit was allowed | X | Taxable income from all foreign sources and U.S. possessions |
| | | Taxable income from all sources, foreign and domestic |

This percentage could never exceed 100 as provided by Code section 904. See also "Foreign tax credit computed."

Partnership Income Less Loss

Partnership net income was reported on Form 2555 by individuals who were members of a partnership, syndicate, joint venture or association. When capital investment and personal services in a foreign country were material income-producing factors, a certain portion of the partners share of the net profits were treated as "earned income." They were considered tax exempt under Code section 911, if they represented a reasonable allowance for personal services actually rendered by the taxpayer. However, no more than 30 percent of net profits could be considered earned and thereby reported on Form 2555. This percentage depended on the value of the taxpayer's personal services to the business and, therefore, in some cases, it was not even possible to allow as much as 30 percent of the net profits as earned income.

Pensions and Annuities

Pensions represented periodic income received after retirement and made in consideration of past services to an employer. Annuities were income payable at stated intervals in consideration of a specific premium. In general, earned income received as pensions or annuities were not tax-exempt and not reported by the taxpayer on Form 2555, if attributable to employer contributions made after December 31, 1962 for services rendered outside the United States after that date.

Before enactment of the Revenue Act of 1962, Code section 72 provided that in determining what an employee or annuitant paid into a pension plan or for an annuity contract, contributions made by the employer were treated as employee contributions, if these contributions would not have been taxable income to the employee had they been paid directly to the employee in the first place. This provision, therefore, had the effect of excluding employer contributions to a pension plan from tax in the year when payment was received were the employee living abroad and qualified for the tax exemption.

The tax-exempt status of employer contributions remains, and is shown in the tables, for contributions made on or before December 31, 1962, and for those made after that date provided the contributions were for services performed on or before that date and the pension or annuity plan provisions were in effect on March 12, 1962.

Per-Country Credit-Limitation Method

Under the per-country limitation, the foreign tax credit was computed separately for each foreign

country or U.S. possession (including Puerto Rico). The credit for foreign taxes paid or accrued to each country was limited to that proportion of U.S. income tax which taxable income from the foreign country or possession bore to total taxable income, both domestic and foreign. The formula used was:

| | | |
|--|---|---|
| U.S. income tax against which foreign tax credit was allowed | X | Taxable income from sources within the foreign country or U.S. possessions |
| | | Taxable income from all sources, foreign and domestic |

This percentage could never exceed 100 as provided by Internal Revenue Service Code section 904. See also "Foreign tax credit computed."

Reduction for Certain Foreign Taxes

Taxes paid or accrued to a foreign country or U.S. possession (including Puerto Rico) on "mineral income" had to be reduced if a deduction for percentage depletion was allowed for any part of the income. Foreign mineral income was defined as income derived from the extraction of minerals from deposits, the processing of these minerals into primary products, and the transportation, distribution, or sales of the raw or primary materials. This reduction had to be made on a country-by-country basis, regardless of the limitation method used to compute the credit. Under this provision foreign income taxes paid or accrued to a foreign country on this mineral income, were reduced to the extent that the foreign taxes exceeded the amount of U.S. tax on such income. This reduction, therefore, did not allow these excess foreign taxes on mineral income to be used in the credit computation.

Rents and Royalties

These sources of foreign gross income were reported on Form 1116 by individuals who received rental income as stated returns or payments by tenants or other users of property. Rents were payments at fixed intervals for the temporary possession or use of foreign capital such as apartments, houses, tourist homes, and motels or trailer courts. Royalty income represented the owner's share of the proceeds for the use of a right such as patent, copyright or minerals.

Salaries and Wages

Salaries and wages as reported on Form 2555 and Form 1116 were amounts of compensation for personal services. Also includable were commissions, bonuses, tips, severance pay, and fees. Salaries and wages reported as part of the foreign tax credit computation excluded those tax-exempt amounts reported on Form 2555.

17-Month Foreign Presence Test

Those taxpayers who did not establish a bona fide foreign residence could exempt income earned abroad from U.S. tax if they were physically present in a foreign country or countries for at least 510 full days (17 months) during any period of 18 consecutive months.

Tax-Exempt Amount of U.S. Citizens Meeting Bona Fide Foreign Residence Test

When individuals qualified under the bona fide foreign residence test, they were allowed an annual exemption from adjusted gross income of up to \$20,000 of foreign earned income from personal services.

However, when individuals had been bona fide residents of a foreign country or countries for an uninterrupted period of 3 consecutive years, they could exclude up to \$25,000 of foreign earned income annually. Because this income was not subject to U.S. tax, none of this amount was allowed in the computation of the foreign tax credit.

When qualified individuals time abroad included only a part of a particular tax year the exclusion of up to \$20,000 (\$25,000) applied on a prorated basis. The formula used to find the maximum exclusion was:

$$\frac{\text{Number of qualified days abroad in the tax year}}{365} \times \begin{matrix} \$20,000 \text{ or} \\ \$25,000 \text{ (if applicable).} \end{matrix}$$

Tax-Exempt Amount of U.S. Citizens Meeting 17-Month Foreign Presence Test

When individuals qualified under the 17-month foreign presence test, they were allowed an exemption from adjusted gross income of up to \$20,000 of foreign earned income from personal services for a full tax year. This exemption remained at \$20,000 regardless of the length of time the individual stayed abroad. Because this income was not subject to U.S. tax none of this amount was allowed in the computation of the foreign tax credit.

When qualified individuals time abroad included only a part of a particular tax year the exclusion of \$20,000 applied on a prorated basis. The formula used to find the maximum exclusion was:

$$\frac{\text{Number of qualified days abroad in the tax year}}{365} \times \$20,000.$$

Taxable and Nontaxable Returns

Taxability or nontaxability was determined by the presence or absence of U.S. income tax after credits and the additional tax for tax preferences ("minimum tax"). Some returns classified as nontaxable may have had a liability from self-employment tax, the social security tax on tip income, taxes from re-computing prior-year investment or work incentive (WIN) credits, or taxes from excess contributions to or premature withdrawals from individual retirement accounts, or other taxes; however, these taxes were disregarded for purposes of this classification. This was because the first two were considered social security (rather than income) taxes, and the remaining ones were not based on the current year's income.

Taxable Amount of Income Earned Abroad Attributable to Current Year

This amount was the foreign earned income for personal services that was not tax-exempt. It was reported as part of the taxpayer's adjusted gross income. Taxable income earned abroad was computed by subtracting from total income earned abroad for personal services the tax-exempt amount.

Taxable Income (Less Loss) from Foreign Sources

For purposes of the foreign tax credit computation taxable income from foreign sources was defined the same way as taxable income from U.S. source, i.e., gross income subject to tax less the applicable deductions and adjustments used to determine such taxable income. The determinations of gross income, applicable deductions and losses, and taxable income from sources outside the United States and within each foreign country or U.S. possession (including Puerto Rico) was made in accordance with Code sections 638, 861 through 864, and 907. If the overall limitation

of the foreign tax credit was used, all income from sources outside the United States including "high seas" income had to be taken into account. Gross income did not include foreign earned income from personal services exempt from U.S. tax under Code section 911.

In computing taxable income from foreign sources for purposes of the foreign tax credit, all expenses and losses directly related to the credit were deductible from gross income from foreign sources and, in addition, other expenses (such as itemized deductions) not directly allocable to specific items of income had to be apportioned to that foreign income by a fraction, the numerator of which was the gross income from foreign sources and the denominator of which was gross income from all sources.

The deduction for personal exemptions was not taken into account in computing taxable income from foreign sources. Likewise for computing the foreign tax credit, taxable income from all sources also was computed without regard to the personal exemptions.

Total Foreign Taxes Available for Credit

This was the total of all eligible foreign taxes paid or accrued plus any carryover of prior-years taxes in excess of the credit limitation in those years minus the reduction for foreign taxes on mineral income required under Code section 901. See also "Foreign Taxes Paid or Accrued", "Carryover", and "Reduction for Certain Foreign Taxes."

Total Income Earned Abroad Attributable to Current Year

This amount reported on Form 2555 represents the total of all "earned income" received as compensation for personal services rendered in foreign countries. Includible compensation was wages, salaries, and professional fees as well as certain types of noncash remuneration, allowances and reimbursements. Noncash remuneration included homes, cars and other property facilities. Allowances and reimbursements considered as earned income included those for the cost of living; overseas differentials; and for family, education, home leave, and living quarters.

Income not considered earned and therefore not tax-exempt included dividends, gambling winnings, and alimony. In the case of certain types of income their status as earned income depended upon the specific conditions in each instance. Generally, these represented business profits; income from pensions, and annuities, rents and royalties.

Total Tax-Exempt Amount

See "Tax-Exempt Amount of U.S. Citizens Meeting Bona Fide Foreign Residence Test" and "Tax-Exempt Amount of U.S. Citizens Meeting 17-Month Foreign Presence Test."

Type of Residence Status Abroad

The exemption from U.S. tax of income earned abroad was based on either bona fide foreign residence or 17-month foreign presence reported by the taxpayer on Form 2555 and was the basis for classifying the statistics by type of residence status abroad. Returns with no indication of either status and \$20,000 or less of exempt foreign income (\$40,000 or less on joint returns with separate Forms 2555 for husband and wife) were considered as having met the 17-month foreign presence test. Returns with no indications of residence status abroad and more than \$20,000, up to \$25,000, of foreign earned income (more than \$40,000, up to \$50,000, for joint returns with separate Forms 2555 for husband and wife) were considered as having met the bona fide foreign presence test. See also "Bona Fide Foreign Residence Test" and "17-Month Foreign Presence Test."

U.S. Income Tax Against Which Foreign Tax Credit Was
Allowed

This amount was U.S. income tax before credits minus the credit for personal exemptions, but before any other allowable tax credits.

Section 5

Forms and Instructions, 1975

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and Instructions, 70

Form 1116, Computation of Foreign Tax Credit,
and Instructions, 72

Form **1040** **US** Department of the Treasury—Internal Revenue Service **1975**
Individual Income Tax Return

For the year January 1–December 31, 1975, or other taxable year beginning 1975, ending 19

Name (if joint return, give first names and initials of both) Last name Your social security number For Privacy Act Notification, see page 2 of Instructions.

Present home address (Number and street, including apartment number, or rural route) Spouse's social security no. For IRS use only

City, town or post office, State and ZIP code Occupation Yours Spouse's

Requested by Census Bureau for Revenue Sharing

A In what city, town, village, etc., do you live? B Do you live within the legal limits of the city, town, etc.? C In what county and State do you live? D In what township do you live? (See page 4.)

☐ Yes ☐ No ☐ Don't know

Filing Status

1 ☐ Single (check only ONE box)
2 ☐ Married filing joint return (even if only one had income)
3 ☐ Married filing separately. If spouse is also filing give spouse's social security number in designated space above and enter full name here
4 ☐ Unmarried Head of Household (See page 5 of Instructions)
5 ☐ Qualifying widow(er) with dependent child (Year spouse died 19) See page 5 of Instructions.

Exemptions

6a Regular ☐ Yourself ☐ Spouse Enter number of boxes checked
b First names of your dependent children who lived with you Enter number
c Number of other dependents (from line 27)
d Total (add lines 6a, b, and c)
e Age 65 or over ☐ Yourself ☐ Spouse Enter number of boxes checked
f Blind ☐ Yourself ☐ Spouse
7 Total (add lines 6d and e)

Income

8 Presidential Election Campaign Fund Do you wish to designate \$1 of your taxes for this fund? Yes No
9 Wages, salaries, tips, and other employee compensation (Attach Forms W-2. If unavailable, see page 3 of Instructions.) 9
10a Dividends (See pages 7 and 8 of Instructions) 10b Less exclusion \$ Balance 10c
(If gross dividends and other distributions are over \$400, list in Part I of Schedule B.)
11 Interest income. [If \$400 or less, enter total without listing in Schedule B. If over \$400, enter total and list in Part II of Schedule B] 11
12 Income other than wages, dividends, and interest (from line 36) 12
13 Total (add lines 9, 10c, 11, and 12) 13
14 Adjustments to income (such as "sick pay," moving expenses, etc. from line 42) 14
15 Subtract line 14 from line 13 (Adjusted Gross Income) (If less than \$1,000, see page 8 of Instructions on "Earned Income Credit.") 15

● If you do not itemize deductions and line 15 is under \$15,000, find tax in Tables and enter on line 16a.
● If you itemize deductions or line 15 is \$15,000 or more, go to line 43 to figure tax.
● CAUTION. If you have unearned income and can be claimed as a dependent on your parent's return, check here ☐ and see page 7 of Instructions.

Tax, Payments and Credits

16a Tax, check if from: Tax Tables Tax Rate Schedule X, Y, or Z Schedule D OR Form 4726 16a
b Credit for personal exemptions (multiply line 6d by \$30) b
c Balance (subtract line 16b from line 16a) c
17 Credits (from line 54) 17
18 Balance (subtract line 17 from line 16c) 18
19 Other taxes (from line 63) 19
20 Total (add lines 18 and 19) 20
21a Total Federal income tax withheld (attach Forms W-2 or W-2P to front) 21a
b 1975 estimated tax payments (Include amount allowed as credit from 1974 return) b
c Earned income credit c
d Amount paid with Form 4868 d
e Other payments (from line 67) e
22 Total (add lines 21a through e) 22

Balance Due or Refund

23 If line 20 is larger than line 22, enter **BALANCE DUE IRS** (Check here ☐ if Form 2210, Form 2210F, or statement is attached. See page 8 of Instructions.) 23
24 If line 22 is larger than line 20, enter amount **OVERPAID** 24
25 Amount of line 24 to be **REFUNDED TO YOU** 25
26 Amount of line 24 to be credited on 1975 estimated tax. 26

Sign here

Your signature Date
Preparer's signature (other than taxpayer) Date
Spouse's signature (if filing jointly, BOTH must sign even if only one had income) Address (and ZIP Code)

Form 1040 (1975) Page 2

Other Dependents

| (a) NAME | (b) Relationship | (c) Months lived in your home, if born or died during year, write B or D. | (d) Did dependent have income of \$750 or more? | (e) Amount YOU furnished for dependent's support. If 100% write ALL. | (f) Amount furnished by OTHERS including dependent. |
|----------|------------------|---|---|--|---|
| | | | | \$ | \$ |

27 Total number of dependents listed in column (a). Enter here and on line 6c

Part I Income other than Wages, Dividends, and Interest

28 Business income or (loss) (attach Schedule C) 28
29a Net gain or (loss) from sale or exchange of capital assets (attach Schedule D) 29a
29b 50% of capital gain distributions (not reported on Schedule D—see page 9 of Instructions) 29b
30 Net gain or (loss) from Supplemental Schedule of Gains and Losses (attach Form 4797) 30
31a Pensions, annuities, rents, royalties, partnerships, estates or trusts, etc. (attach Schedule E) 31a
31b Fully taxable pensions and annuities (not reported on Schedule E—see page 9 of Instructions) 31b
32 Farm income or (loss) (attach Schedule F) 32
33 State income tax refunds (does not apply if refund is for year in which you took the standard deduction—others see page 9 of Instructions) 33
34 Alimony received 34
35 Other (state nature and source—See page 9 of Instructions) 35

36 Total (add lines 28 through 35). Enter here and on line 12

Part II Adjustments to Income

37 "Sick pay" (attach Form 2440 or other required statement) 37
38 Moving expense (attach Form 3903) 38
39 Employee business expense (attach Form 2106 or statement) 39
40a Payments to a Keogh (H.R. 10) retirement plan 40a
40b Payments to an individual retirement arrangement from attached Form 5329, Part III 40b
41 Forfeited interest penalty for premature withdrawal—see page 10 of Instructions 41
42 Total (add lines 37 through 41). Enter here and on line 14 42

Part III Tax Computation (Do not use this part if you use the Tax Tables to find your tax.)

43 Adjusted gross income (from line 15) 43
44 (a) If you itemize deductions, check here ☐ and enter total from Schedule A, line 41 and attach Schedule A 44
(b) If you do not itemize deductions and line 15 is \$15,000 or more, check here ☐ and: If box on line 2 or 5 is checked, enter 16% of line 15 but not more than \$2,600; if box on line 1 or 4 is checked, enter \$2,300; if box on line 3 is checked, enter \$1,300 44
45 Subtract line 44 from line 43 45
46 Multiply total number of exemptions claimed on line 7, by \$750 46
47 Taxable income. Subtract line 46 from line 45 47

(Figure your tax on the amount on line 47 by using Tax Rate Schedule X, Y, or Z, or if applicable, the alternative tax from Schedule D, income averaging from Schedule G, or maximum tax from Form 4726.) Enter tax on line 16a.

Part IV Credits

48 Retirement income credit (attach Schedule R) 48
49 Investment credit (attach Form 3468) 49
50 Foreign tax credit (attach Form 1116) 50
51 Contributions to candidates for public office credit—see page 10 of Instructions 51
52 Work Incentive (WIN) credit (attach Form 4874) 52
53 Purchase of new principal residence credit (attach Form 5405) 53
54 Total (add lines 48 through 53). Enter here and on line 17 54

Part V Other Taxes

55 Tax from recomputing prior-year investment credit (attach Form 4255) 55
56 Tax from recomputing prior-year Work Incentive (WIN) credit (attach Schedule) 56
57 Minimum tax. Check here ☐ if Form 4625 is attached 57
58 Tax on premature distributions from attached Form 5329, Part V 58
59 Self-employment tax (attach Schedule SE) 59
60 Social security tax on tip income not reported to employer (attach Form 4137) 60
61 Uncollected employee social security tax on tips (from Forms W-2) 61
62 Excess contribution tax from attached Form 5329, Part IV 62
63 Total (add lines 55 through 62). Enter here and on line 19 63

Part VI Other Payments

64 Excess FICA, RRTA, or FICA/RRTA tax withheld (two or more employers—see page 10 of Instructions) 64
65 Credit for Federal tax on special fuels, nonhighway gasoline and lubricating oil (attach Form 4136) 65
66 Credit from a Regulated Investment Company (attach Form 2439) 66
67 Total (add lines 64 through 66). Enter here and on line 21e 67

1975 Instructions for Form 1040

AND for Schedules

A, B, C, D, E, F,
R, and SE

From The Commissioner

This instruction pamphlet contains information needed to complete Form 1040 and Schedules A, B, C, D, E, F, R, and SE. If, however, you decide to use Short Form 1040A, you can get Form 1040A and its instructions from any Internal Revenue Service office and many banks and post offices.

I am sorry to say that the 1040 Form is more complex than last year's and this instruction pamphlet is longer than last year's. This year the Census Bureau has called on us to collect some detailed residence data, and we have changed the return and instructions to provide for the new credits for personal exemptions, earned income, and purchase of a new principal residence. We have also provided for the new deduction for payments to individual retirement plans and the taxes that may apply as a result of excess contributions or premature distributions.

The keys to a simpler tax return are (1) a simpler tax law and (2) our asking you for only what the law requires us to obtain.

Please note the Presidential Election Campaign Fund Checkoff on line 8 of your 1040. Without increasing your tax or decreasing your refund, you have the right to earmark \$1 (on a joint return, \$1 each for husband and wife) of your taxes for a general fund to meet expenses of the 1976 Presidential Election.

The instructions have been provided to help you prepare your own return. If you need help, please call us at the number listed for your area on page 38 or visit your nearest Internal Revenue office. If you decide to have someone else help you, be sure to select a qualified person.

You can help yourself and us if you check your return to make sure that it is correct and then file it early. Thanks for your cooperation.

Donald C. Alexander
Commissioner of Internal Revenue

Watch for Tax Law Changes

At the time we printed this instruction pamphlet, Congress was considering proposals to add or change several tax law provisions. If any changes in the tax law are enacted and apply to 1975, they must be taken into account in computing 1975 income taxes. Internal Revenue will do its best to provide supplemental forms, instructions and information for taxpayers affected by any new legislation.

New Features for 1975

Please note these important new changes that have been made because of revisions in the tax laws:

Credit for Personal Exemptions—line 16(b)

This new credit of \$30 for each exemption claimed on line 6(d) is available to all filers. See page 7.

Earned Income Credit—line 21(c)

If line 15 is less than \$8,000 and you reported wages, salaries, tips, etc., on line 9, or had self-employment income, you may be eligible to claim this refundable credit. See page 8. A worksheet has been provided to assist eligible filers in figuring this credit. Self-employed persons can be eligible for this credit even though their net earnings from self-employment are less than \$400.

Payments to an Individual Retirement Arrangement—line 40(b)

You may be able to deduct up to a limit of \$1,500 of payments made to individual retirement accounts, or for individual retirement annuities or bonds. See page 10.

Forfeited Interest Penalty for Premature Withdrawal from Time Savings Accounts—line 41

You can deduct a forfeited interest penalty for premature withdrawal from a time savings account. See page 10.

Purchase of New Principal Residence Credit—line 53

If after March 12, 1975, you purchased and occupied a new principal residence that was constructed or being constructed before March 26, 1975, you may be able to claim a 5% credit based on the purchase price. See page 10.

Tax on Premature Distributions—line 58

If you cashed in your individual retirement arrangement prematurely, you may be subject to an additional tax. See page 10.

Excess Contributions Tax—line 62

If you contributed to your individual retirement arrangement an amount in excess of the maximum amount deductible, you may have to pay a 6% excise tax on the amount of such excess. See page 10.

Who Must File

The income levels at which most filers must file have been increased. See page 3.

Standard Deduction

The standard deduction has been increased. See page 7 and Form 1040, line 44(b).

Tax Tables

Tax Tables have been increased to cover incomes up to \$15,000.

Privacy Act Notification

The Privacy Act of 1974 provides that each Federal Agency inform individuals, whom it asks to supply information, of the authority for the solicitation of the information and whether disclosure of such information is mandatory or voluntary; the principal purpose or purposes for which the information is to be used; the routine uses which may be made of the information; and the effects on the individual of not providing the requested information. This notification applies to the U.S. Individual Income Tax Returns, to declarations of estimated tax, to U.S. Quarterly Gift Tax Returns, and to any other tax return required to be filed by an individual, and to schedules, statements, or other documents related to the returns, and any subsequent inquiries necessary to complete, correct, and process the returns of taxpayers to determine the correct tax liability and to collect any unpaid tax, interest, or penalty.

The Internal Revenue Code requires every person liable for any tax imposed by the Code to make a return or statement according to the forms and regulations prescribed by the Internal Revenue Service (sections 6001 and 6011 and the Regulations pertaining thereto). Individuals required to make returns, statements, or other documents shall include their Social Security Numbers to provide proper identification

and to permit processing the returns (section 6109 and the Regulations pertaining thereto).

The principal purpose for soliciting tax return information is to administer the Internal Revenue laws of the United States. This includes the determination and collection of the correct amount of tax. In addition, with respect to U.S. Individual Income Tax Returns, IRS is soliciting information concerning place of residence for the Bureau of the Census for revenue-sharing and other Census purposes. The completion of all appropriate items requested by the return forms and related data is mandatory except for the Presidential Election Campaign Fund designation on the U.S. Individual Income Tax Returns, which is voluntary.

The Code provides penalties for failure to file a return, failure to supply information required by law or regulations, failure to furnish specific information required on return forms or for furnishing fraudulent information. Other effects of not providing all or part of the requested information may include the disallowance of claimed exemptions, exclusions, credits, deductions or adjustments resulting in increased tax liability, the loss of Social Security credits, loss or delay in issuance of a refund for overpayment, interest and penalty charges

on unpaid taxes, and other disadvantages to the taxpayer.

The routine uses which may be made of tax return information include disclosure to the Department of Justice in connection with actual or potential criminal prosecution or civil litigation; to other Federal Agencies; to States, the District of Columbia, the Commonwealth of Puerto Rico, or possessions of the United States to assist in the administration of their tax laws; to other persons in accordance with and to the extent permitted by law and regulations; and to foreign governments in accordance with treaties.

Further information concerning the requirements for filing returns and furnishing information may be obtained from any Internal Revenue Service office.

This will be the principal notification under the Privacy Act of 1974 concerning the solicitation of information in connection with any tax return or tax liability of an individual. Additional notices may be given (but are not required) with respect to specific information requests during the course of tax administration activities such as audit, investigation or collection of any tax, interest, or penalty. Please retain this notification with your tax records and refer to it any time you are requested to furnish additional information.



Department of the Treasury
Internal Revenue Service

Guide for Preparing a Return

You may find it helpful in completing your Form 1040 to follow these steps and check them off as you go.

- Step 1.—Gather up your income records including Forms W-2, W-2P, and 1099. If your employer does not give you a Form W-2 by January 31, or if the one you have is not correct, contact your employer as soon as possible. Only your employer can issue your W-2 or correct it. If unable to secure Form W-2 from your employer by February 16, contact an Internal Revenue Service office.
- Step 2.—If you are going to itemize your deductions, collect your expense records, such as medical and dental bills, real estate taxes, State income tax, home mortgage interest, and charitable contributions. To make sure you do not forget any items, look on pages 11 through 13 of these instructions. Check the types of expenses you can deduct. Put these records aside until later.
- Step 3.—Get any forms or schedules you need but did not receive by mail. See the order blank. It will help you decide which ones you will need.
- Step 4.—Name and Address: Use the mailing label on the forms we sent you. Correct your name and address if necessary. Also show your apartment number if you have one. If you did not receive forms with a label, print or type your name and address.
- Step 5.—Social Security Number. If your social security number is wrong on the label or if you did not receive a label, show your correct number on your return. If you are married, please give numbers of both you and your spouse whether you file jointly or separately.
- If you do not have a social security number, get an application Form SS-5 from a Social Security Administration office, post office, or from IRS. File it with the local office of the Social Security Administration. Do this early enough to make sure you receive a number before April 15. If you do not receive a number by April 15, file your return without it and write "Applied for" in the space for social security number.
- Don't forget to show occupations in spaces in upper right corner just below social security blocks.
- Step 6.—Revenue Sharing. The Census Bureau advises you to answer questions A, B, and C; also D, if applicable. See instructions for Revenue Sharing on page 4.
- Step 7.—Filing Status. Check only one box (lines 1 through 5). Your tax

rate depends on the box you check. So before you decide, see instructions for Filing Status on page 5.

- Step 8.—Exemptions. Fill in lines 6a, b, c, d, e, and 7. See instructions for Exemptions on page 5.
- Step 9.—Check appropriate "Yes" or "No" box(es) on line 8 (Presidential Election Campaign Fund). If you check the "Yes" box(es), it will not increase your tax or reduce your refund.
- Step 10.—Fill in the schedules and forms mentioned for lines 10, 11, 28 through 32, and 37 through 40b if you need to. Enter the totals from your schedules on the correct lines on Form 1040.
- If you need more space on forms or schedules, attach separate sheets that follow the same size and arrangement of the printed forms, but show your totals on the printed forms. Be sure to put your name and social security number on these separate sheets.
- Step 11.—Fill in lines 9 through 15. This will give you your adjusted gross income. The instructions between lines 15 and 16a are guides to tell you where to proceed after you have filled in line 15. If the third instruction is applicable, be sure to check the block.
- Step 12.—Decide whether to use the standard deduction or itemize your deductions. The instructions Should You Use the Standard Deduction or Itemize Your Deductions? on page 7 will help you decide.
- Step 13.—Figure your tax if you decided to take the standard deduction and you DID NOT check the block between lines 15 and 16a (If you checked the block, follow the instructions on page 7; or, if you decided to itemize, skip to Step 14). If line 15 is under \$15,000, find your tax in the Tax Tables. (The standard deduction is included and your tax is already figured out for you.) Show the tax on line 16a. Skip the rest of this step and step 14.
- If line 15 is \$15,000 or more, fill in lines 43 through 47 on the back of Form 1040. (Your standard deduction goes on line 44.) Use Tax Rate Schedule X, Y, or Z to figure your tax. Show the tax on line 16a. Skip step 14.
- Step 14.—Figure your tax if you decided to itemize deductions. Fill in Schedule A and enter your total deductions on line 44 of Form 1040. Fill in lines 43, 45, 46, and 47. Use Tax Rate Schedule X, Y, or Z to figure your tax. Show the tax on line 16a.

- Step 15.—Figure your credit for personal exemptions. Multiply the number of personal exemptions on line 6d by \$30 and enter the amount on line 16b (but do not enter more than the tax shown on line 16a).
- Step 16.—Fill in lines 48 through 67 if you have credits, other taxes, or other payments to report. Complete the forms or schedules asked for. Enter the amounts from these lines on the front of Form 1040. Fill in any other amounts geared for lines 17 through 26.
- Step 17.—If you owe tax, show amount on line 23. Attach check or money order for full amount when you file. Make it out to "Internal Revenue Service" and be sure to write your social security number on it. If line 23 is under \$1, you do not have to pay.
- Step 18.—If we owe you a refund, show amount on line 24. On line 25 or 26, show whether you want some or all of the money refunded or credited to 1976 estimated tax. If line 24 is under \$1, we will send you a refund only on written request.
- Step 19.—Recheck Your Return. Go over all items and make sure they are right. Also check your arithmetic.
- Step 20.—Sign Your Return. It is not considered a return unless you do. Both you and your spouse must sign a joint return. If you pay someone to prepare your return, be sure that person also signs. If prepared by a firm or corporation, it should be signed in the name of the firm or corporation. If prepared by your regular, full-time employee, such as a clerk, secretary, or bookkeeper, the employee does not have to sign.
- Step 21.—Attachments. Attach Forms W-2 or W-2P (copy B) to front of Form 1040. If you took an adjustment for sick pay on line 37, be sure to attach Form 2440 or other required statement. Attach schedules in alphabetical order and forms other than W-2 or W-2P in numbered order to the back of Form 1040. If you owe tax, be sure to attach your payment to the front of Form 1040.

Note: If you move after filing your return and you are expecting a refund, you should notify both the post office serving your old address and the service center where you filed your return, of your address change. This will help in forwarding your check to your new address as promptly as possible. Be sure to include your social security number in any correspondence with the IRS.

Form 1040 Instructions

Where to Get Forms

In general, we mail forms and schedules directly to you based on what you filed last year. Many people will need only Form 1040. The order blank inside the tax forms package will help you get many of the forms, schedules, and publications referred to in these instructions. Many banks and post offices have the same material. However, if you don't find what you need there, please fill out the order blank and we will send them to you.

| Who Must File (See page 6 for examples of income) | And your gross income is at least: |
|--|------------------------------------|
| File a return if you are: | |
| Single (legally separated, divorced, or married living apart from spouse with dependent child) and are under 65 | \$2,350 |
| Single (legally separated, divorced, or married living apart from spouse with dependent child) and are 65 or older | 3,100 |

| File a return if you are: | And your gross income is at least: |
|--|------------------------------------|
| A person who can be claimed as a dependent on your parent's return, and have taxable dividends, interest, or other unearned income | 750 |
| A qualifying widow(er) with dependent child and are under 65 | 2,650 |
| A qualifying widow(er) with dependent child and are 65 or older | 3,400 |
| Married filing jointly, living together at the end of 1975 (or at date of death of spouse), and both are under 65 | 3,400 |

Page 3

File a return if you are:

| And your gross income is at least: |
|--|
| Married filing jointly, living together at the end of 1975 (or at date of death of spouse), and one is 65 or older |
| Married filing jointly, living together at the end of 1975 (or at date of death of spouse), and both are 65 or older |
| Married filing separate return or married but not living together at end of 1975 |
| A person with income from sources within U.S. possessions |
| Self employed and your net earnings from self-employment were at least \$400. |

If income tax was withheld or if you are eligible for the earned income credit, then even though you are not required to file a return, you should file to get a refund. If you are filing solely because of the earned income credit, see Form 1040A instructions to determine whether you can file Short Form 1040A.

These rules are for all U.S. citizens and resident aliens, including those under 21 years of age.

U.S. Citizens Living Abroad.—Generally, foreign source income must be reported on your return. Get Publication 54, Tax Guide For U.S. Citizens Abroad.

Death of Taxpayer.—If a person died in 1975, or in 1976 before filing a return for 1975, the surviving spouse or executor or administrator of the estate must file a return for the deceased. If a refund is due, attach Form 1310 to the return.

The executor or administrator can file a joint return for the decedent with the surviving spouse. If an executor or administrator has not been appointed, the survivor can still file a joint return. The 1975 income of the decedent prior to death and the in-

come of the surviving spouse for the entire year must be included in the joint return.

If you are filing such a joint return, write in the signature area "Filing as surviving spouse." Show the date of death in the name and address space. For more information, get Publication 559, Federal Tax Guide for Survivors, Executors, and Administrators.

Foreign Bank, Securities, and Other Financial Accounts.—If you had a financial interest in, or signature authority or other authority over a bank, securities, or other financial account in a foreign country at any time in 1975, you must complete Form 4683 and attach it to your return.

Rounding Off to Whole Dollars.—You may round off cents to the nearest whole dollar on your return and schedules. You can drop amounts under 50 cents—increased amounts from 50 to 99 cents to next dollar. Example, \$1.39 becomes \$1 and \$2.69 becomes \$3.

Recordkeeping Requirements.—Get Publication 552, Recordkeeping Requirements and a Guide To Tax Publications, for details.

Information on Tax Changes.—Get Publication 553, Highlights of 1975 Changes in the Tax Law, for more information concerning important tax law changes and watch for later changes not included in Pub. 553.

When to File.—As soon as you can after January 1, but not later than April 15, 1976. Late filing may subject you to penalties and interest. See instructions for Penalties and Interest on page 8.

Where To File.—Mail your return to the Internal Revenue Service Center for the place where you live. Use the addressed envelope that came with your return, or use the address for your State.

New York, New York City 1040 Waverly Avenue
Holtville, N.Y. 11799
Rockland, Suffolk, and Westchester

| | |
|---|---|
| New York (all other counties), Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont | 310 Lowell Street Hartford, Connecticut 06112 |
| District of Columbia, Delaware, Maryland, Pennsylvania | 11601 Roosevelt Boulevard Philadelphia, Pennsylvania 19155 |
| Alabama, Florida, Georgia, Mississippi, South Carolina | 4800 Buford Highway Chamblee, Georgia 30006 |
| Michigan, Ohio | Cincinnati, Ohio 45298 |
| Arkansas, Kansas, Louisiana, New Mexico, Oklahoma, Texas | 3551 S. International Hwy. Austin, Texas 78740 |
| Alaska, Arizona, Colorado, Idaho, Minnesota, Montana, Nebraska, Nevada, North Dakota, Oregon, South Dakota, Utah, Washington, Wyoming | 1160 West 1200 South St. Ogden, Utah 84201 |
| Illinois, Iowa, Missouri, Wisconsin | 2306 E. Bannister Road Kansas City, Missouri 64120 |
| California, Hawaii | 5045 East Butler Avenue Fresno, Calif. 93808 |
| Indiana, Kentucky, North Carolina, Tennessee, Virginia, West Virginia | 3131 Democrat Road Memphis, Tennessee 38110 |

If you are located in: Use this address:

| | |
|---|--|
| Panama Canal Zone, American Samoa | 11601 Roosevelt Boulevard Philadelphia, Pa. 19155 |
| Guam | Commissioner of Revenue and Taxation Agaña, Guam 96910 |
| Puerto Rico (or if excluding income under section 933) | 11601 Roosevelt Boulevard Philadelphia, Pa. 19155 |
| Non-permanent residents | |
| Virgin Islands: | Department of Finance, Tax Division, Charlotte Amalie, St. Thomas, Virgin Islands 00801 |
| Permanent residents | |
| Foreign country and have an A.P.O. or F.P.O. address | Center for your permanent home State |
| Foreign country: U.S. citizen and those excluding income under section 911 or 931 | 11601 Roosevelt Boulevard Philadelphia, Pa. 19155 |

The following Statement and Instructions have been supplied by the Bureau of the Census

Revenue Sharing Residence Questions

General Instructions

The residence questions, immediately below the address portion of the return, are authorized under section 6017A of the Internal Revenue Code. The law authorizes a penalty to be imposed for failure to supply this information without reasonable cause. Answers to these residence questions will be supplied to the Bureau of the Census, and held by Census in strict confidence, to be used in developing current statistical estimates of population and per capita income; such estimates are used principally for determining the distribution of general revenue sharing funds to State and local governments. Your answers to these questions are needed because your mailing address may not accurately identify the local jurisdiction(s) in which you reside.

If you have difficulty answering the residence questions (for example, the correct name of your municipality or whether you live within its legal boundaries), you may be able to obtain assistance from your local government officials. If they are unable to answer your inquiries, write to the Bureau of the Census, Residence Question, Washington, D.C. 20233, or call collect 812-948-2111 between the hours of 8 a.m. and 5 p.m. (EST) Monday through Friday.

Specific Instructions

Question A.—In what city, town, village, etc., do you live?—Enter the name of the city, town, village, or borough in which you maintain your principal residence on the day you complete the tax form. If you are not sure of the name of the municipality in which you live, enter the name your area is known by.

—If you are filing a joint return, but not living with your spouse, answer the questions for either residence.

—If you are a college student away from home, answer the questions for the place where you reside while attending college.

—If you are a member of the Armed Forces and live on base, answer the questions for such base. If you live off base, answer the questions for the place where you live off base.

—If you are a crew member on board a U.S. vessel, and have no principal place of residence, answer the questions for the vessel's home port.

Question B.—Do you live within the legal limits of the city, town, etc.?—Every municipality has definite legal limits. If the area where you live is unincorporated, or is outside the legal limits of the place you named in answer to Question A, check No to Question B. If you are not sure whether you live within the legal limits, check Don't Know to Question B.

Question C.—In what county and State do you live?

County.—Enter the full name, not an abbreviation, of the county, parish (Louisiana), or organized borough (Alaska) in which you live. If you live in a city that is not part of any county (such as Baltimore City, Maryland; St. Louis City, Missouri; Fairfax City, Virginia, etc.), make no entry for county name. It is important to distinguish between Baltimore City and Baltimore County, St. Louis City and St. Louis County, and Fairfax City and Fairfax County.

State.—Enter the name of the State (or District of Columbia) where you live. If you live outside the United States, enter "Outside U.S."

Question D.—In what township do you live?—Enter the full name of your township or equivalent area (town, plantation, etc.) only if you live in one of the following States:

| | |
|------------------------------------|------------------------------------|
| Connecticut (towns and precincts) | Nebraska (townships and precincts) |
| Illinois (townships and precincts) | New Hampshire (towns) |
| Indiana (townships) | New Jersey (townships) |
| Kansas (townships) | New York (towns) |
| Maine (towns and plantations) | North Dakota (townships) |
| Massachusetts (towns) | Ohio (townships) |
| Michigan (townships) | Pennsylvania (townships) |
| Minnesota (townships) | Rhode Island (towns) |
| Missouri (townships) | South Dakota (townships) |
| | Vermont (towns) |
| | Wisconsin (towns) |

Page 4

IRS will figure your tax if your income on line 15 is \$20,000 or less, was only from wages, salary and tips, dividends, interest, pensions and annuities, and you want to take the standard deduction.

All you do is:
1. Place your name and address label on your return, or fill in name, address, and social security number. Also fill in occupation and revenue sharing blocks. On a joint return, show names, social security numbers and occupations of both you and your spouse. If you are married, give social security

numbers of both you and your spouse even though you file separately.

2. Fill in lines 1 through 7.
3. Check appropriate "Yes" or "No" box(es) on line 8 (Presidential Election Campaign Fund).

4. Fill in lines 9 through 15, lines 17, 19, 21a, b, and e, if necessary. Also, attach Form 4683 (Foreign Bank Account), if applicable.

5. On a joint return, show your and your spouse's income separately in the space below the line 15 entry space so IRS can figure your tax in the way that will give you the smallest tax.

6. Sign your return. Both you and your spouse must sign a joint return. 7. File on or before April 15, 1976. We will then figure your tax and send you a refund check if you paid too much or bill you if you did not pay enough.

Note: If you are eligible to claim the earned income credit (see page 8), we will figure the credit for you if you write EIC on line 21c. If you have a retirement income credit, we will figure that also. Just attach Schedule R after you have answered the question for columns A and B, and filled in lines 2 and 5. Then write RIC on line 17 of Form 1040.

Instructions for Page 1 of Form 1040

Filing Status

Decide How You Should File From the Explanations Below

Were You Married or Single?—If you were married on December 31, consider yourself married for the whole year. If you were single, divorced, or legally separated on December 31, consider yourself single for the whole year. If you were a "Married person living apart from your spouse" as described on this page, consider yourself single for the whole year.

If your spouse died during 1975, consider yourself married for the whole year.

Married People.—Should you file joint or separate returns?

Joint Return.—In most cases, married couples will pay less tax if they file jointly. You and your spouse can file a joint return even if you did not live together for the full year, or if one of you was a resident alien for the whole year. But you cannot file jointly if one of you was a nonresident alien at any time during the year. Both you and your spouse are responsible for any tax due on a joint return, so if one of you does not pay, the other will have to.

Things to Remember on a Joint Return.—Use the mailing label sent you with your return if it shows names and social security numbers of both you and your spouse. If it does not, or if you did not receive a label, show first names and middle initials of both. For example: John F. and Mary L. Doe. Enter social security numbers for both. Show all income, exemptions, and deductions of you and your spouse. Both of you must sign the return.

Separate Returns.—You can file separately if both you and your spouse had income or if only one of you had income. Both you and your spouse must figure your tax the same way. This means if one itemizes deductions, the other must itemize. If one takes the percentage standard deduction, the other must take the percentage standard deduction and cannot take the low-income allowance (this is \$950 for a separate return). You each report only your own income, exemptions, and deductions, and you are responsible only for the tax due on your own return. If you and your spouse live in a community property State and both itemize deductions, those paid from joint funds can be divided equally between you. Get Publication 555, Community Property and the Federal Income Tax.

Tax Savings.—Before you file a separate return, see if you can reduce your tax by meeting the tests described in "Were You Married and Living Apart From Your

Spouse?" If so, use the Single filing status or, if you qualify, Unmarried Head of Household.

Things to Remember on a Separate Return.—Check the box on line 3, "Married filing separately." If both you and your spouse file separate returns, write your spouse's full name in the space provided on line 3 and enter spouse's social security number in the designated space.

Check the applicable boxes on lines 6a and 6b if you can claim the exemptions for you and your spouse. See instructions for Exemptions on this page. Only the one who had income should sign the return.

Were You Married and Living Apart From Your Spouse?—Some married people can file as Single or as Unmarried Head of Household and ignore the rules for married people filing separate returns. This means that you may be eligible to claim the earned income credit. It also means that if your spouse itemizes deductions, you do not have to. You can use the standard deduction if you want and your limit is \$2,300 instead of the \$1,300 allowed married persons filing separately. Both you and your spouse can file this way if both meet the tests.

You can file as a single person, and check the box on line 1 for Single, if you meet all of the following tests:
(1) You file a separate return.
(2) You paid more than half the cost to keep up your home for 1975.
(3) Your spouse did not live in your home at any time during 1975.
(4) For over six months of 1975, your home was the main home of your child or stepchild whom you can claim as a dependent.

You can check the box on line 4 for Unmarried Head of Household if your home in test (4), above, was the child's main home for all of 1975.

Were You an Unmarried Head of Household?—There are special tax rates for a person who can meet the tests for being an Unmarried Head of Household. See Tax Tables and Tax Rate Schedule 2.

Generally, you may use unmarried head of household tax rates ONLY if on December 31, 1975, you were single or legally separated, AND met test (1) or (2) below.
(1) You paid more than half the cost of keeping up a home which was the main home of your father or mother you can claim as a dependent (you did not have to live with that parent).
(2) You paid more than half the cost of keeping up your home which, except for temporary absences for vacation, school, etc., was lived in all year by one of the following:

(a) Your unmarried child, grandchild, foster child or stepchild. This person did not have to be your dependent.

Note: If you are claiming the filing status of "Unmarried Head of Household" because of an unmarried child, grandchild, foster child or stepchild who is not your dependent, enter that person's name in the space provided on line 4.

(b) Any other person listed in (5)(a) under "Lines 6b and 6c—Children and Other Dependents" on page 6, that you can claim as a dependent provided he or she is not your dependent under a multiple support agreement (this is where two or more taxpayers supported the relative and no one gave more than half the support).

Taxpayers married to nonresident aliens can qualify as unmarried head of household under certain circumstances. Consult an IRS office for further information, including information on limited standard deduction and how to figure your tax.

Were You a Qualifying Widow or Widower with a Dependent Child?—You may still be able to use joint return tax rates for 1975. See Tax Tables and Tax Rate Schedule Y.

If your spouse died during 1974 or 1975 and you did not remarry before the end of 1975, you can file a return for 1975 showing only your own income, exemptions, and deductions, and figure the tax at joint return rates if you meet all of the following tests:

(1) You could have filed a joint return with your spouse for the year your spouse died. Whether you actually filed jointly does not matter.
(2) You have a child or stepchild you can claim as a dependent.
(3) Your home was the main home of that child during 1975, except for temporary absences for vacation and school.

Check the box on line 5 "Qualifying widow(er) with dependent child" and give year of death in the parenthesis. Do not claim an exemption for your spouse. You can claim the exemption only for the year your spouse died.

If your spouse died in 1975 and you did not remarry, read "Were You Married or Single?" on this page. If spouse died before 1975, read "Were You an Unmarried Head of Household?" on this page to determine if you qualify, otherwise you must file as Single.

Exemptions (\$750 for Each Exemption You Can Take)

If you take your tax from the Tax Tables, do not take a separate deduction for exemptions. The deduction has already been allowed in the Tax Tables.

Lines 6b and 6c—You and Your Spouse.—For You.—You can always take two exemptions for yourself. Take two exemptions

if you were blind, or are 65 or older. Take three if you were both blind and 65 or older. Be sure to check all the boxes for the exemptions you can take.

Age and blindness are determined as of December 31. However, if your 65th birthday was on January 1, 1976, you can consider yourself 65 on December 31, 1975.

You can take the age and blindness exemptions for you and your spouse if your spouse does not file a separate return. Do not take these exemptions for your children or other dependents.

Proof of Blindness.—If you are completely blind, attach a statement to this effect. In cases of partial blindness, submit with your return each year a statement from an eye physician or registered optometrist that you: (a) cannot see over 20/200 with glasses or (b) your field of view does not exceed 20 degrees. If, however, this eye condition will never improve beyond the standards in (a) or (b), you may submit a certified opinion to this effect from a licensed examining eye physician. You need to attach this opinion only once to your return. In subsequent years attach only a statement referring to this opinion.

For Your Spouse.—If you are filing a joint return, you can take an exemption for your spouse. If you file a separate return, you can take an exemption for your spouse only if your spouse had no income and was not the dependent of someone else.

The exemptions for your spouse are like your own—one, if your spouse was neither blind nor 65 or older—two, if blind or 65 or older—three, if both blind and 65 or older.

Nonresident Alien Spouse.—You may claim your spouse's exemptions only if your spouse had no income from United States sources and is not the dependent of another taxpayer. Use lines 6a and 6c to claim exemptions for a nonresident alien spouse. When claiming your spouse's regular exemption on line 6a, write "NRA" to the right of the line 6a.

Death of Spouse.—If your spouse died during 1975, check the boxes for the exemptions you could have taken for your spouse on the date of death. See instructions for Death of Taxpayer on page 4.

Lines 6b and 6c—Children and Other Dependents.—Show on line 6b the first names and the total number of your dependent children who lived with you during 1975. If you claim other dependents, complete columns (a) through (f) on line 27. Enter on line 6c the total number of dependents shown on line 27.

Each person you claim as a dependent has to meet all of the following tests:

(1) **Income.**—Received less than \$750 income. (If your child's was under 19 or was a full-time student, ignore this test. See "Student Dependent.")

(2) **Support.**—Received over half his or her support from you or is treated as receiving over half of his or her support from you under rules for "Children of divorced or separated parents" or "Dependent supported by two or more taxpayers" on this page. If you file a joint return, the support can be from either spouse. See "Meaning of Support."

(3) **Married Dependents.**—Did not file a joint return with his or her spouse.

(4) **Citizenship or Residence.**—Was a citizen or resident of the U.S., a resident of Canada, Mexico, the Republic of Panama or Canal Zone, or an alien child adopted by and living with a U.S. citizen in a foreign country.

(5) **Relationship.**—Met one of the following tests:

(a) Was related to you in one of the following ways (if you file jointly, the dependent can be related to either you or your spouse):

| | | |
|-------------|----------------|----------------------|
| Child | Stepbrother | Daughter-in-law |
| Stepchild | Stepsister | If related by blood: |
| Mother | Stepmother | Uncle |
| Father | Stepfather | Aunt |
| Grandparent | Mother-in-law | Nephew |
| Brother | Father-in-law | Niece |
| Sister | Brother-in-law | Sister-in-law |
| Grandchild | Sister-in-law | Son-in-law |

* Child includes:
Your son, daughter, stepson, stepdaughter.
A child who lived in your home as a member of your family if placed with you by an authorized placement agency for legal adoption.
A foster child who lived in your home as a member of your family for the whole year.

(b) Was a person who lived in your home as a member of your family for the whole year.

Meaning of Support.—Support includes things like food, a place to live, clothes, medical and dental care, and education.

Generally in figuring support, you use the actual cost of these things. But if you provide a place for the dependent to live, include it at fair rental value.

Support DOES NOT include things like purchase of an automobile, furniture or appliances, income taxes and social security taxes, premiums for life insurance or funeral expenses for a deceased dependent.

In figuring who furnished over half of a dependent's support, include the dependent's own money used for his or her support, even if his or her money was not taxable. For example, include social security benefits, but if your child was a student, do not include amounts he or she received as scholarships.

Student Dependent.—Even if your child had income of \$750 or more, you can claim him or her as a dependent if he or she was a full-time student and met tests (2), (3), and (4) on this page.

To qualify as a student, your child had to meet one of the following tests:

(1) Was enrolled as a full-time student at an educational institution during any 5 months of 1975, or
(2) took a full-time, on-farm training course during any 5 months of 1975. (The course had to be given by an educational institution or a State, county, or local government agency.)

* Educational institution means a school that has a regular teaching staff, course of study, and body of students in attendance. It includes elementary schools, junior and senior high schools, colleges, universities, technical and mechanical schools, it also includes a night school in which the student is enrolled for the number of hours or classes that is considered full-time attendance at a similar day school. It does not include on-the-job training courses, correspondence schools, etc.

For more information, get Publication 532, Filing and Dependency Information for Students and Parents.

Children of Divorced or Separated Parents.—In most cases, the parent who has custody of the child for the greater part of the year can take the exemption. But there are exceptions. The parent who does NOT have custody (or who has the child for the shorter time), may take the exemption if:

- he or she contributed at least \$600 toward the child's support during 1975, and the decree of divorce or separate maintenance (or a written agreement between the parents) states he or she can take the exemption, or
- he or she contributed \$1,200 or more for child support during 1975 (regardless of how many children),

and the parent having custody cannot prove that he or she contributed more than the other parent contributed.

Note: For purpose of determining the amount of child support, the parent who has remarried and has custody may count the support furnished by the new spouse. For exceptions and other information get Publication 501, Your Exemptions and Exemptions for Dependents.

Dependent Supported by Two or More Taxpayers.—If two or more taxpayers supported a person and no one gave more than half the support, get Form 2120 and Publication 501.

Birth or Death of Dependent.—Take a \$750 exemption for a dependent who died or was born during 1975 if he or she met the tests for a dependent for the time he or she lived.

Line 8.—Presidential Election Campaign Fund.—You may designate \$1 of your tax to the fund by checking the "Yes" box on line 8. On a joint return, the election to designate or not designate is available to both spouses. For example: (1) Both may elect to designate \$1 each for a total of \$2. (2) Both may elect not to designate. (3) One may elect to designate \$1 and the other choose not to. If you check the "Yes" box(es), it will not increase your tax or reduce your refund.

Note: If you check a "Yes" box, you may not change that designation after a return is filed. However, if you check a "No" box but after you file your return you wish to designate \$1, you may change your designation to "Yes" by filing an amended return on or before December 31, 1977. You may use Form 1040X, Amended U.S. Individual Income Tax Return.

What Income To Report

Examples of Income You Must Report.—Wages including employer's supplemental unemployment benefits, salaries, bonuses, commissions, fees, and tips.

Earnings (Interest) from savings and loan associations, mutual savings banks, credit unions, etc.

Interest on tax refunds.

Interest on bank deposits, bonds, notes.

Interest on U.S. Savings Bonds.

Interest on arbitrage bonds issued after Oct. 9, 1969, by State and local governments.

Profits from businesses and professions.

Your share of profits from partnerships and small business corporations.

Pensions, annuities, endowments, including lump-sum distributions.

Supplemental annuities under the Railroad Retirement Act (but not regular Railroad Retirement Act benefits).

Profits from the sale or exchange of real estate, securities, or other property.

Sale of personal residence. (See Instructions for Schedule D.)

Rents and royalties.

Your share of estate or trust income, including accumulation distribution from trusts.

Alimony, separate maintenance or support payments received from and deductible by your spouse or a former spouse.

Prizes and awards (contests, raffles, etc.).

Refunds of State and local taxes (principal amounts) if they were deducted in a prior year and resulted in tax benefits.

Fees received for jury duty and precinct election board duty.

Fees received by an Executor, Administrator, or Director.

Embezzled or other illegal income.

Examples of Income You Do Not Report.—Disability retirement payments and other benefits paid by the Veterans Administration.

Dividends on veterans' insurance.

Federal Income Tax Rebate.

Life insurance sums received at a person's death.

Workmen's compensation, insurance, damages, etc., for injury or sickness.

Interest on certain State and municipal bonds.

Federal social security benefits.

Gifts, money or other property you inherited or that was willed to you.

Insurance repayments that were more than the cost of your normal living expenses if you lost the use of your home because of fire or other casualty. Repayments of the amount you spent for normal living expenses must be reported as income.

Line 9—Wages, Salaries, Tips, etc.—Show the total of all wages, salaries, fees, commissions, tips, bonuses, and other amounts your employers paid you before they took out for taxes, insurance, etc. Include in this total:

(1) The amount shown on Form W-2 in the box "Wages, Tips and Other Compensation" in 1975.

(2) Tips you did not report to your employer (Show any social security tax due on these tips on line 60—instructions for this are on page 10).

(3) Wages you received but do not have a Form W-2 for.

(4) Disability retirement income if you are below the mandatory retirement age.

(5) Fair market value of meals and living quarters if given by your employer as a matter of your choice and not for your employer's convenience. If your employer provided meals where you worked for your employer's convenience, do not report their value. Do not report the value of living quarters if you had to accept them as a condition of employment.

(6) Strike and lockout benefits paid by a union from union dues, including both cash and the fair market value of goods received, unless the facts clearly show that such benefits were intended as a gift.

Get Publication 525, Taxable Income and Nontaxable Income, for more information on reporting income received in the form of goods, property, meals, etc.

If your employer paid you more than you spent for business expenses, see the instructions for Reporting Deductions and Excess Payments on page 9.

Line 10a—Dividends.—For explanation of dividend income, see instructions for Schedule B on page 14. If you received \$400 or less in dividends and other distributions, show the amount after subtracting nontaxable distributions and capital gain distributions, on line 10a. You do not need to list them on a separate schedule.

If you received more than \$400, fill in Schedule B and list names of all payers and amounts received. The note below tells you whether you need to complete Schedule D. Show on Form 1040, line 10a, the total dividends received (this is gross dividends less capital gain distributions and any nontaxable distributions).

Note: If you received capital gain distributions and do not need Schedule D to report any other gains or losses or to figure the alternative tax, do not fill in that schedule. Instead, show 50% of your capital gain distributions on Form 1040, line 29b.

Line 10b—Exclusion.—For explanation of dividends exclusion see instructions on page 14.

Line 11—Interest Income.—For explanation of interest income, see page 14. If you received \$400 or less in interest, show the total amount on this line. You do not need to fill in a separate schedule.

If you received over \$400, fill in Schedule B and list names of all payers and amounts received. Then show the total amount on Form 1040, line 11.

Should You Use the Standard Deduction or Itemize Your Deductions?

You must decide whether to take the standard deduction or to itemize your actual deductions for charitable contributions, medical expenses, interest, taxes, etc. Because the standard deduction varies at different income levels, it will generally be helpful to follow these guidelines based on your adjusted gross income (line 15).

If you are:

• Married filing jointly or a qualifying widow(er) with dependent child, you should itemize deductions if your income on line 15 of Form 1040 is:

less than \$11,875 and your itemized deductions total more than \$1,900.

between \$11,875 and \$16,250 and your itemized deductions total more than 16% of line 15.

over \$16,250 and your itemized deductions total more than \$2,600.

• Married filing separately: Divide the dollar amounts specified for joint returns in half and be sure to use only the total of your own deductions.

• Single or Unmarried Head of Household, you should itemize deductions if your income on line 15 of Form 1040 is:

less than \$10,000 and your itemized deductions total more than \$1,600.

between \$10,000 and \$14,375 and your itemized deductions total more than 16% of line 15.

over \$14,375 and your itemized deductions total more than \$2,300.

Tax—Credits—Payments

If you check the block between lines 15 and 16a, follow these instructions.

If you can be claimed as a dependent on your parent's return and line 15 includes income other than earned income (see next paragraph for definition of earned income) figure your tax by completing Part III of Form 1040. Do NOT use the Tax Tables.¹

An example of this is an unmarried full-time student (or an unmarried person under 19 years of age) who has dividend or interest income on his or her own return and his or her parents are filing a return of their own. If you don't itemize your deductions substitute the following instruction for line 44(b):

44(b) If you do not itemize deductions, enter the larger of:

1. 16% of that part of line 15 that is attributable to earned income but not more than \$2,300 if single; or \$1,300 if married filing separately; or

2. \$1,600 if single; or \$950 if married filing separately, but not more than your earned income included on line 15.

¹ However, you may use the Tax Tables to find your tax instead of following the substitute instruction for line 44(b) if line 15: (1) includes less than \$750 of income other than earned income, and (2) is less than \$10,000 if single or \$9,500 if married filing separately and your spouse does not use the percentage standard deduction.

"Earned Income" means wages, salaries, professional fees, etc., for personal services rendered. It does not include compensation for your services that was a distribution of earnings and profits other than a reasonable allowance for your work for a corporation. If you were engaged in a business in which both personal services and capital were material income producing factors, consider as earned income personal services rendered, an amount not in excess of 30% of your share of net profits of the business.

Line 16a—Tax.

How To Figure Your Tax if You Take the Standard Deduction and the Above Instruction Isn't Applicable

If line 15 is under \$15,000, find your tax in the Tax Tables. The standard deduction has been allowed in these tables. Also, the deduction for the exemptions you claimed has already been allowed in these tables. Enter the tax on line 16a.⁴

If line 15 is \$15,000 or more, fill in lines 43 through 47. (Your standard deduction goes on line 44.) Use Tax Rate Schedule X, Y, or Z to figure your tax. Enter the tax on line 16a.⁴

How To Figure Your Tax if You Itemize Deductions

Fill in Schedule A and enter your total deductions on line 44. Fill in lines 43, 45, 46, and 47. Use Tax Rate Schedule X, Y, or Z to figure your tax. Enter the tax on line 16a.⁴

Other Ways to Figure Your Tax

Schedule G, Income Averaging.—It may be advantageous to use the "averaging method" if after subtracting \$3,000 from your 1975 taxable income (line 47), the balance is over 30 percent of the total of your taxable income for the last four years (1971 through 1974). If you use this method, fill in Schedule G. For more information, get Publication 506, Computing Your Tax Under the Income Averaging Method.

Schedule D, Alternative Tax.—It may be advantageous to use the alternative tax if you have a net long-term capital gain, or if your net long-term capital gain was more than your net short-term capital loss. See Alternative Tax Computation on Schedule D. If you use this method, fill in Schedule D.

Form 4726, Maximum Tax on Earned Income.—The tax on earned taxable income is limited to a maximum rate of 50 percent. Get Form 4726 for more information if your earned taxable income was over:

\$38,000 and you are single,
\$52,000 and you are married filing jointly or are a qualifying widow(er) with dependent child, or
\$38,000 and you claim unmarried head of household status.

Line 16b—Credit for Personal Exemptions.—Multiply the number of personal exemptions on line 6d by \$30 and enter the amount (but do not enter more than the tax shown on line 16a).

Line 21a—Federal Income Tax Withheld.—Enter the total income tax withheld as shown on your Forms W-2 or W-2P.

Line 21b—Estimated Tax Payments.—Fill in on this line any payments you made on your estimated Federal income tax for 1975.

⁴ Include in the amount on line 16a any partial refund of the 40% tax on a distribution of trust income, or Form 4972, Special 10-Year Averaging Method, which may be used by recipients of lump-sum distributions from qualified employees' trusts or annuity plans.

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If you and your spouse filed a joint declaration of estimated tax for 1975 but decide to file separate income tax returns for 1975, either of you can claim all the estimated tax paid. Or, you can each claim part in whatever amounts you agree to. Be sure to show the social security numbers of both on the separate returns.

If you and your spouse filed separate estimated tax declarations for 1975 but decide to file a joint income tax return for 1975, enter on this line the total of the amounts paid on your separate declarations. Be sure to show both social security numbers on your joint return. Follow the above instructions even if your spouse died.

Line 21c—Earned Income Credit.

Generally, if line 15, or your earned income if greater, is less than \$8,000 you may be able to claim a refundable credit based on your earned income. For this purpose earned income means wages and salaries after the sick pay exclusion, if applicable, tips, other employee compensation, and your net earnings from self-employment as shown on Schedule SE (Form 1040), line 13. If you are married you must file a joint income tax return to be eligible for the credit; however, certain married persons living apart with a dependent child may be eligible to claim the credit—see *Were You Married and Living Apart From Your Spouse?* on page 5.

Complete the Earned Income Credit Worksheet only if you:

- (1) did not check the box on Form 1040, line 3 (married filing separately);
- (2) are not entitled to file Form 2555, Exemption of Income Earned Abroad, or Form 4563, Declaration of Income from Sources in United States Possessions; AND,
- (3) can answer "Yes" to all of the following questions.

| | Yes | No |
|--|--------------------------|--------------------------|
| A Is your adjusted gross income, Form 1040, line 15, less than \$8,000? | <input type="checkbox"/> | <input type="checkbox"/> |
| B Is your earned income (see line 5 below) less than \$8,000? | <input type="checkbox"/> | <input type="checkbox"/> |
| C Did you pay more than half the cost of keeping up a home in the U.S. in which you lived for the entire year (except for temporary absences for vacation, school, etc.) was also the home of your child whom you can claim as a dependent? (See pages 5 and 6). | <input type="checkbox"/> | <input type="checkbox"/> |
| D Was your dependent child under 19 years of age or a student? (See page 6.) | <input type="checkbox"/> | <input type="checkbox"/> |

Earned Income Credit Worksheet

| | |
|--|-------|
| 1 Amount of wages, salaries, tips, etc. (from Form 1040, line 9) | |
| 2 Sick pay exclusion (from Form 1040, line 37) | |
| 3 Subtract line 2 from line 1 | |
| 4 Net earnings from self-employment (from Schedule SE (Form 1040), line 13) | |
| 5 Earned income (add lines 3 and 4. However if line 4 is a loss, subtract line 4 from line 3.) | |
| 6 Adjusted gross income (from Form 1040, line 15) | |
| 7 Amount from line 5 or line 6, whichever is larger | |
| 8 Enter 10% of line 7 but not more than \$400 | |
| If line 7 is \$4,000 or less, do not complete the rest of this worksheet but enter the amount from line 8 on Form 1040, line 21c. | |
| 9 Amount from line 7 | |
| 10 Limitation base | 4,000 |
| 11 Subtract line 10 from line 9 | |
| 12 Enter 10% of line 11 | |
| 13 Earned income credit (subtract line 12 from line 8). Enter here and on Form 1040, line 21c. (Do Not File—Retain For Your Records) | |

Line 21d—Extension of Time to File 1975 Return.—If you filed an application to request an automatic 2-month extension of time to file Form 1040 for 1975, enter the amount paid with Form 4868 on this line.

Line 22—Special Note for Beneficiary of a Trust.—If you have a tax credit because of the "throwback" rule, include the credit in your total for line 22 (see Form 4970). On the dotted line to the left of the line 22 entry space, write "Throwback credit," and show the amount.

Line 23—Balance Due.—In most cases, people who have income tax withheld from their wages will find that the amount withheld will be fairly close to their tax for the year. Sometimes it is not, and they are more likely to happen if both you and your spouse worked.

If you find that you need more income tax withheld for 1975, you can file a new allowance certificate, Form W-4, with your employer and claim fewer allowances. Or you can ask your employer to withhold more money. If you prefer, you can file a Declaration of Estimated Tax on Form 1040-ES and make installment payments. For more information, get Publication 505, Tax Withholding and Declaration of Estimated Tax.

Penalties and Interest

Avoid penalties and interest by correctly filing and paying tax when due. The law provides a penalty of from 5 percent to 25 percent of the tax for late filing unless you can show reasonable cause for the delay. If you file a return late, send a full explanation with the return.

Penalties are also provided for late payment of tax unless you can show reasonable cause for the delay.

Taxes Not Paid when Due.—The penalty for failure to pay taxes when due is 1/2 of 1 percent of the unpaid amount for each month or part of a month it remains unpaid—up to 25 percent of the unpaid amount. The penalty applies to any unpaid tax shown on a return. It also applies to any portion of additional tax shown on a bill if it is not paid within 10 days from the date of the bill. This penalty is in addition to the applicable interest charge on late payments.

Penalty for Not Paying Enough Tax During the Year.—Add lines 21c, 57, 60, 61, 62, and 65. Subtract this total from line 20 and call the difference total A. Add lines 21c, 21d (unless extension is filed and tax is paid before January 31, 1976), 65, and 66. Subtract this total from line 22 and call the difference total B.

If total B is less than 80 percent (66 2/3 percent for farmers and fishermen) of total A, you may owe a penalty unless you meet one or more of the exceptions explained on Form 2210 (Form 2210P for farmers and fishermen). Attach this form or a statement to your return to show how you figured the penalty or which exceptions you believe you meet.

If you owe a penalty, check the box between lines 23 and 24, and show the amount in the bottom margin on page 1 of Form 1040 and write "Penalty—estimated tax." If you owe tax on line 23, include the penalty amount in with your total. Or, if you are due a refund, subtract the penalty amount from overpayment on line 24.

Line 26—Overpayments Credited to 1976 Estimated Tax.—We will apply amounts you want credited to estimated tax to the account under your social security number, unless you attach a request to apply it to your spouse's account. The request should include the social security number of your spouse if it is not shown on the return.

Declaration of Estimated Tax

Citizens of the United States or residents of the United States, Puerto Rico, Virgin Islands, Guam and American Samoa must make a declaration of estimated tax if their total estimated tax is \$100 or more and they:

- (1) Can reasonably expect to receive more than \$500 from sources other than wages subject to withholding; or,
- (2) Can reasonably expect gross income to exceed—
 - (a) \$20,000 for a single individual, a head of a household, or a widow or widower entitled to the special tax rates;
 - (b) \$20,000 for a married individual entitled to file a joint declaration with spouse, but only if the spouse has not received wages for the taxable year;
 - (c) \$20,000 for a married individual living apart from spouse as described on page 5;
 - (d) \$10,000 for a married individual entitled to file a joint declaration with spouse, but only if both spouses received wages for the taxable year; or,
 - (e) \$5,000 for a married individual not entitled to file a joint declaration with spouse.

See Form 1040-ES for details.

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Instructions for Page 2 of Form 1040

PART I.—Income Other Than Wages, Dividends, and Interest

Miscellaneous Income

Line 29b—50% of Capital Gain Distributions.—If you do not need Schedule D to report any other gains or losses or to figure the alternative tax, do not fill in that schedule. Instead, show 50% of your capital gain distributions here.

Line 31b—Fully Taxable Pensions and Annuities.—See Instructions for Schedule E for information on pensions and annuities.

Use this line to report: (1) Pensions and annuities if you paid no part of their cost. (2) Military retirement pay from Form W-2P. (3) Amounts received as annuity under the special rule (see Instructions for Schedule E) if you recovered your entire cost before January 1, 1975.

Line 33—State Income Tax Refunds.—Show only that part of refund of State income tax attributable to itemized deductions taken in a prior year that resulted in a Federal tax benefit. Do not offset this amount against your deduction for current year taxes.

Line 34—Alimony Received.—Show amounts you received as alimony or separate maintenance.

Line 35—Other.—Use this line to report and tell the source of any income you can not find a place for on your return or other schedules. Include prizes, awards, and amounts you recovered for bad debts, medical expenses or other items that reduced your tax in a prior year.

Also report gross lottery and gambling winnings. You must report the gross winnings as income on line 35. Lottery and gambling losses can be taken as an itemized deduction only on Schedule A. However, such losses are limited to the amount of winnings reported.

Generally, self-employment income must be reported on Schedule C (Form 1040) or Schedule F (Form 1040). However, if you received self-employment income such as directors' fees and you did not incur any expenses with respect to this income, you may enter the total amounts received here and on Schedule SE (Form 1040), line 5(e).

Net Operating Loss.—If you lost money in a trade or business in 1975, you can subtract the loss from your 1975 income. (The loss can also be from a personal casualty or theft loss or from selling or disposing of real or depreciable property used in your trade or business.)

If your losses were more than your income, the difference may result in a "net operating loss." Generally, you can use it to reduce your income for the three years before 1975 and the five years after. This means you have to carry the loss back to 1972 and then bring any remaining loss forward to 1973, 1974, and 1975 through 1980. If you are due a refund from the "carryback," you may use Form 1045 to get a quick refund.

If you had a loss in a prior year to carry forward to 1975, enter it as a "minus" figure on line 35. Attach a separate sheet showing how you figured the amount.

PART II.—Adjustments to Income

Line 37—Sick Pay Exclusion.—You may be able to take an exclusion for pay you received while you were absent from work because of injury or sickness if you were covered by a sick pay plan paid for by your employer. If both you and your employer paid for the plan, you may be able to exclude all the benefits you received from the part you paid. But there is a limit on excluding benefits you received from the part your employer paid.

A disability pension may also qualify for the sick pay exclusion.

For information on how to figure your exclusion, get Form 2440 and Publication 522, Adjustments to Income for Sick Pay.

Enter the amount of your sick pay exclusion on line 37 and attach Form 2440 (or other required statement showing how you figured the exclusion, when you were absent, regular weekly rate of pay, and whether you were in the hospital).

Line 38—Moving Expenses.—Employees, including new employees, and self-employed persons, including partners, can deduct certain moving expenses. The move had to be in connection with your job or business. The expenses you can deduct include the cost of moving your family, furniture and other household goods, and personal belongings. You can also deduct meals and lodging while traveling to your new home.

Up to a certain amount, you can also deduct for: (1) Travel, meals, and lodging for househunting trips you made after getting the job and before you moved. (2) Meals and lodging while in temporary quarters in the general area of your new place of work, for up to 30 days after you got the job. (3) Expenses for selling, buying, or leasing your new or old home.

For more information, get Form 3903 and Publication 521, Tax Information on Moving Expenses.

If you find you can deduct moving expenses, fill in Form 3903. Also, report on Form 1040, line 9, all amounts you were paid or repaid for moving expenses. (If you were employed, these amounts should be included on Form 4782 and in total wages, tips and other compensation on the Form W-2 your employer gave you.) Then show your allowable expenses on line 38.

Line 39—Employee Business Expenses (and Employer Payments).—

Deductible Expenses and Excess Payments.—You can deduct the expenses listed below that were not paid by your employer.

(1) Travel and Transportation.—You can deduct bus, taxi, plane, or train fares or the cost of using your car in your work.

(2) Meals and Lodging.—You can deduct these if you were temporarily away on business at least overnight from the general area of your main place of work. You cannot deduct the cost of meals on daily trips where you did not need to sleep or rest.

(3) Outside Salesperson.—In addition to the above, an outside salesperson can generally deduct other expenses necessary in sales work. For example, selling expenses, stationery, and postage. An outside salesperson is one who does all selling away from employer's place of business. If your main duties are service and delivery, such as a milk driver-salesperson, you are not considered an outside salesperson.

(4) Other Business Expenses.—If you itemize deductions on Schedule A, you can also deduct other business expenses under the heading "Miscellaneous deductions." Examples of these expenses are dues to unions and professional organizations and the cost of tools, materials, etc., that your employer did not pay for.

If you paid part of an expense and your employer paid part, you can deduct the amount you paid. If your employer paid you more than you spent, report the difference as income. (See Instructions for Reporting Deductions and Excess Payments on this page.)

If you claim a deduction for business expenses, attach Form 2106 or a statement showing the following: (1) The total of all amounts received from or charged to your employer and nature of your occupation. (2) The amount of your business expenses broken down into broad subjects. (3) The number of days away from home on business.

Even if you do not claim a deduction for your business expenses, you must attach the above information to your return unless you were required to, and did make a satisfactory accounting of them to your employer.

You are considered to have made a satisfactory accounting if:

(1) You received either a daily allowance of no more than \$44 instead of actual living expenses or the maximum per diem rate authorized to be paid by the Federal Government in the locality in which the travel is performed, or a mileage allowance of no more than 15 cents a mile. However, an employer may grant an additional allowance for parking fees and tolls attributable to traveling and transportation expenses as separate items.

(2) Your expenses were the type necessary to carry out your employer's trade or business, and you gave your employer proof of the time, place, and business reason of the travel.

If you use your own car for business reasons, you can deduct what it cost you for business use. Instead of figuring your actual expenses such as gas, oil, repairs, license tags, insurance, and depreciation, you can take a fixed mileage rate.

This is figured at 15 cents a mile for the first 15,000 miles and 10 cents for each mile over 15,000. Add to this amount your parking fees and tolls.

For automobiles that have been or are considered fully depreciated, the standard mileage rate is 10 cents a mile for all business mileage.

You can change methods of figuring your cost from year to year. But you cannot change to the fixed mileage rate if you claimed depreciation and did not use the straight line method, or if you claimed additional first-year depreciation.

For more information, get Publication 463, Travel, Entertainment, and Gift Expenses.

Reporting Deductions and Excess Payments.—Report your business expenses and payments as explained below.

(1) If your employer paid you more than you spent, report the difference on line 35, under "Other."

(2) If you spent more than your employer paid you for travel and transportation, meals and lodging, and outside salesperson expenses, you can deduct the difference on line 39. If you itemize deductions and had other business expenses your employer did not pay for, you can deduct them under "Miscellaneous deductions" on Schedule A.

(3) If your expenses equaled the payments you received (or were more than the payments but you do not want to claim a deduction for the difference), write on the bottom margin of page 2, Form 1040, "Employer payments were not more than my business expenses."

Note: If your Form W-2 includes amounts your employer paid you for business expenses, attach Form 2106 or a statement. (See Instructions for Deductible Expenses and Excess Payments.) Include your total expense on line 39.

Lines 40a and 40b—Payments to a Retirement Plan or Arrangement.—To support deductions, file the applicable forms listed below.

(1) Sole proprietors who have Keogh (H.R. 10) plans should file Form 5500-K or Form 5500 for such plans. Do not attach to your Form 1040.

Partners are not required to file returns for Keogh plans in which they participate. However, partnerships are required to file Form 5500 or Form 5500-K to report on Keogh plans.

Complete a Form 5500-K for all plans with fewer than 100 participants and with at least one owner-employee and file as a separate return. Attach completed Forms 5504 and 5505, as appropriate, to the Form 5500-K. Complete a Form 5500 for each plan with 100 or more participants and file as a separate return. Attach completed Forms 5504 and 5505, as appropriate, to the Form 5500. If you file two or more Forms 5500, attach them to Form 5501. File these forms on or before the 15th day of the 5th month following the close of your taxable year.

(2) Individuals who have made contributions to an individual retirement arrangement enter the allowable deduction shown on Form 5329, Part III. Married persons, both of whom qualify for the deduction, filing a joint return, should attach a Form 5329 for each taxpayer and enter the combined deductions on line 40b.

Individuals who have an individual retirement account or annuity, must attach Form 5329 whether or not a contribution was made in the year. Also, attach Form 5498 for Form 5329, except for individual retirement bonds.

Caution: Failure to file Form 5329 by the due date, without reasonable cause, will result in a penalty of \$10 a day for each day it is not filed, not to exceed \$5,000.

Line 41—Forfeited Interest Penalty for Premature Withdrawal.—You can deduct a forfeited interest penalty for premature withdrawal from a time savings account on this line. Enter the amount of forfeiture shown on your Form 1099-INT here. Note: Be sure to include the gross amount of 1975 interest income in line 11.

PART IV.—Credits

Line 48—Retirement Income Credit.—See Instructions for Schedule R.

Line 49—Investment Credit.—For exceptions and conditions under which you can take an investment credit, get Form 3468.

Line 50—Foreign Tax Credit.—You can claim credit for income tax payments to a foreign country or U.S. possession only if you itemize deductions. For more information, get Form 1116.

Line 51—Credit for Contributions to Candidates for Public Office, etc.—You may claim a tax credit here or an itemized deduction on Schedule A, line 33, but you cannot claim both, for contributions to candidates for public office and political committees and to newsletter funds of

candidates and elected public officials. Publication 585, Voluntary Tax Methods to Help Finance Political Campaigns, explains the circumstances under which a deduction or credit for a contribution is more advantageous.

If you elect to claim a credit, the amount of the credit is one-half of the political contributions paid, but not more than \$25 (\$50 if married and filing a joint return). Do not enter more than the amount on line 16c reduced by the amount of credits on lines 48, 49, and 50. Make a side calculation before you enter the credit here.

Line 52—Credit for Wages Paid or Incurred in Work Incentive (WIN) Program.—Business employers may claim a credit of 20% of the salaries and wages paid or incurred to employees hired under a Work Incentive (WIN) Program. The credit is allowed for salaries and wages paid or incurred in the first 12 months of employment.

Employers may also claim a credit of 20% of salaries and wages paid for business or nonbusiness employment of certain Federal welfare recipients hired after March 29, 1975, for services performed before July 1, 1976. For nonbusiness employers, this credit is limited to \$1,000 for each employee. See Form 4874.

Line 53—Credit for Purchase of New Principal Residence.—You may be able to claim a credit of 5% of the purchase price of your new principal residence that was constructed or being constructed before March 26, 1975, and acquired and occupied after March 12, 1975. The maximum credit is \$2,000. See Form 5405.

PART V.—Other Taxes

Line 55—Tax from Recomputing Prior Year Investment Credit.—Enter the difference between the credit taken in a prior year and the credit you refigured due to disposing of the property early. Attach Form 4255.

Line 56—Tax from Recomputing a Prior Year Work Incentive (WIN) Credit.—If a WIN employee is dismissed before the end of the first 12 months of employment or during the following 12 calendar months, you must repay (with certain exceptions) any tax credit previously taken on the salaries and wages paid, or incurred to that employee. See Form 4874.

The tax from recomputing a prior year (WIN) credit may not be offset against the current year's (WIN) credit.

Line 57—Minimum Tax.—If you have items of tax preference (accelerated depreciation, stock options, long-term capital gains, etc.) of more than \$30,000 (\$15,000 if married filing separately), attach Form 4625 even if there is no minimum tax due.

Line 58—Tax on Premature Distributions from Individual Retirement Arrangements.—Enter any tax due as shown on Form 5329, Part V.

Line 59—Self-employment Tax.—Enter amount shown on Schedule SE, line 18. Lines 60 and 61—Tax on Tip Income.—If you received tips of \$20 or more in a month that you did not report to your employer, or if your wages were not enough for your employer to withhold social security or railroad retirement tax on tips that you reported, you must pay these taxes with your Form 1040.

For tips you did not report but must pay social security tax on, attach Form 4137. Enter the tax on line 60. For tips you have to pay railroad retirement tax on, contact your nearest Railroad Retirement Board office for information. Include the tax on line 60. On the dotted line to the left of the line 60, write "RR tax on tips."

The Form W-2 your employer gives you will show any social security tax you owe on tips you reported to your employer. Enter that amount on line 61.

Be sure all your tips are included as income on Form 1040, line 9.

Line 62—Excess Contribution Tax on Individual Retirement Arrangements.—Enter any tax due as shown on Form 5329, Part IV.

Line 63—Tax on Income Subject to the Penalty Under Section 72(m)(5).—If you received income resulting from a premature or excessive distribution from a qualified employees' pension plan or trust when you are (or were) also an owner of the business, such income is subject to a penalty under section 72(m)(5) of the Code. Enter the amount of tax in your total for line 63. On the dotted line to the left of the line 63 entry space, write "72(m)(5) Tax", and show the amount.

PART VI.—Other Payments

Line 64—Excess FICA, RRTA, or FICA/ RRTA Tax Withheld—More Than One Employer.—

If you had more than one employer in 1975 and together they paid you more than \$14,100 in wages, too much social security (FICA) tax, railroad retirement (RRTA) tax, or combined FICA and RRTA tax may have been taken out of your wages. If too much was withheld, you may be able to take credit for it against your income tax. Follow the steps below to figure your credit. If you are filing a joint return, you have to figure this separately for you and your spouse.

| | |
|--|--------|
| Step 1. (a) Add all FICA and RRTA tax withheld by employers from your wages for 1975. Enter the total here | \$ |
| (b) Add all uncollected FICA or RRTA tax on tips, if any. Enter the total here | \$ |
| Step 2. Add (a) and (b) | \$ |
| Step 3. Subtract | 824.85 |
| Step 4. Enter this amount on Form 1040, line 64 | \$ |

*Note: Do not include more than \$824.85 for any one employer. If any one employer withheld more than \$824.85, ask that employer to refund that excess to you. You cannot take credit for it on your return.

Line 65—Credit for Federal Taxes on Special Fuels, Nonhighway Gasoline and Lubricating Oil.—Enter on this line any tax credit you can take for:

- Gasoline used—
 - on a farm for farming use.
 - in vehicles and machines used off the highway, such as in boats and, generally, in commercial aircraft.
 - in vehicles furnishing certain public transportation by land.
- Lubricating oil used for any purpose other than in a highway motor vehicle.
- Special fuels used—
 - on a farm for farming use.
 - in vehicles furnishing certain public transportation by land.
 - generally, in commercial aviation or under other conditions not subject to tax.

Attach Form 4135. For more information, get Publication 225, Farmer's Tax Guide, or Publication 378, Federal Fuel Tax Credit or Refund for Nonhighway and Transit Users.

Line 66—Credit for Taxes Paid by Regulated Investment Companies.—Enter credit here. Attach Copy B of Form 2439.

Form 2555 Exemption of Income Earned Abroad

(Rev. Oct. 1975)

Department of the Treasury
Internal Revenue Service

Attach to Form 1040.

For taxable year ending

This Form is to be Used Only by United States Citizens and Certain Resident Aliens (See Instruction 1.)

Name of taxpayer _____ Social security number _____
 Foreign address (including Country) _____ Your occupation _____

Name of employer _____
 Employer's address _____
 Give the latest year for which you filed a U.S. income tax return _____ Office where filed _____

For an explanation of the provisions under which earned income of citizens abroad is exempt, see Instructions. You may obtain Publication 54, Tax Guide for U.S. Citizens Abroad, and all forms from any Internal Revenue office, U.S. Embassy, or Consulate.

Check status under which you claim exemption: ☐ Bona fide residence. Complete Parts I and III.
☐ Physical presence. Complete Parts II and III.

Complete all items in the parts pertaining to your status. If an item does not apply, write "DOES NOT APPLY." Failure to submit required information may result in disallowance of the claimed exemption.

To be Completed for Bona Fide Residence Only

1 Foreign country in which you claim bona fide residence _____ Residence began _____ (Date) ended _____ (Date)

2 Kind of living quarters in foreign country ☐ Purchased house ☐ Rented house or apartment ☐ Rented room ☐ Quarters furnished by employer

3 Did your family live with you abroad during any part of the taxable year? _____ ☐ Yes ☐ No
 If "Yes," for what period? _____

4 (a) Have you made a statement to the authorities of the foreign country you claim bona fide residence in that you are not a resident of that country? _____ ☐ Yes ☐ No

(b) Are you required to pay income tax to the country you claim bona fide residence in? _____ ☐ Yes ☐ No
 If you made a statement to the authorities of the foreign country that you are not a resident, and the country holds you are not subject to its income tax, you do not qualify for this U.S. exemption. (See Instruction 6(c).)

5 Complete the following for days present in the U.S. or its possessions during the taxable year:

| Date arrived in U.S. | Date departed from U.S. | Number of days in U.S. on business | Amount earned in U.S. on business (Attach statement showing computation.) | Date arrived in U.S. | Date departed from U.S. | Number of days in U.S. on business | Amount earned in U.S. on business (Attach statement showing computation.) |
|----------------------|-------------------------|------------------------------------|---|----------------------|-------------------------|------------------------------------|---|
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

6 (a) State any contractual terms or other conditions relating to the length of your employment abroad. _____

(b) State the type of visa you entered the foreign country under. _____

(c) Did your visa contain any limitations as to the length of your stay or employment in a foreign country? _____ ☐ Yes ☐ No
 If "Yes," attach explanation. _____

(d) List the places where you have resided and the dates of residence since you left the U.S. to establish residence abroad. _____

(e) Did you maintain a home in the U.S. while residing abroad? _____ ☐ Yes ☐ No

If "Yes," show address of your home, whether it was rented, and the names and relationships of the occupants. _____

To be Completed for Physical Presence Only

7 The 18-month period the exemption for physical presence in a foreign country is based on is from _____ through _____

8 Enter all travel abroad during the 18-month period the exemption is based on, except travel between foreign countries that did not involve travel on or over international waters for 24 hours or more. If the last entry is an arrival in a foreign country, insert number of full days to end of 18-month period. If there was no travel to return during the period, write in schedule that you were physically present in a foreign country or countries during the entire 18-month period.

| Name of country (including U.S.) | Date and time of arrival | Date and time arrived | Full days present in country | Number of days in U.S. on business | Amount earned in U.S. on business (Attach statement showing computation.) |
|----------------------------------|--------------------------|-----------------------|------------------------------|------------------------------------|---|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

9 Enter prior years you claimed exemption for income earned abroad under section 911: _____

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Form 2555 (Rev. 10-75)

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To be Completed for Both Bona Fide Residence and Physical Presence

10 Enter below your total earned income, including noncash remuneration. (See Instructions 7 and 8(c).)
 Is part of the income (such as bonuses) attributable to services performed in past years or to be performed for years other than this year? _____ ☐ Yes ☐ No
 If "Yes," see Instructions 10(a) and 11.

Do not report exempt income on your Form 1040, but enter all taxable income in the appropriate sections of the form. If you received all or part of your income in foreign currency, translate its exchange value into terms of U.S. dollars at the rates prevailing at the time you actually or constructively received the income.

| Earned income (for personal services rendered in foreign countries) | Exchange rates used | Amount (in U.S. dollars) |
|--|---------------------|--------------------------|
| 11 (a) Total wages, salaries, bonuses, commissions, etc., received during this year | | |
| (b) Amount attributable to prior years or future years. (See Instructions 10(a) and 11.) | | |
| (c) Balance attributable to this year. (Subtract line 11(b) from line 11(a).) | | |
| 12 Pensions and annuities (See Instruction 10(d).) | | |
| 13 Allowable share of income for personal services rendered. (See Instructions 7 and 10(e).) | | |
| (a) In a business (including farming) or profession. (Attach Schedule C or F (Form 1040).) | | |
| (b) In a partnership (Give name, address, and nature of income.) | | |
| 14 Noncash remuneration (Market value of property or facilities furnished by employer. Attach statement showing how determined.) | | |
| (a) Home | | |
| (b) Car | | |
| (c) Other property facilities (Specify.) | | |
| 15 Other income (Specify.) | | |
| 16 Allowances or reimbursements | | |
| (a) Cost of living | | |
| (b) Overseas differential | | |
| (c) Family | | |
| (d) Education | | |
| (e) Home leave | | |
| (f) Quarters | | |
| (g) For any other purpose (Specify.) | | |
| 17 Total earned income from sources outside the U.S. | | |
| 18 Amount exempt (If exempt status changed during the taxable year, complete schedule below.) | | |
| 19 Taxable income (Line 17 less line 18. If less than zero, enter zero. Enter here and report on Form 1040.) | | |

Schedule for Computation of Exemption Claimed in Part III, line 13, above.

(The \$20,000 and \$25,000 exemptions are for full taxable years. Prorate them if your exempt status changes during the taxable year. See Instructions 6(s)(ii) and 10(c).)

| | A | B |
|--|----------|----------|
| 20 Applicable exemption | \$20,000 | \$25,000 |
| 21 Number of exemption qualifying days in taxable year | | |
| 22 Total number of days in taxable year | | |
| 23 Percentage applicable (Divide the number of days on line 21 by the number of days on line 22.) | 0/20 | 0/70 |
| 24 Allowable exemption (Multiply the amount on line 20 by the percent on line 23.) | \$ | \$ |
| 25 Total allowable exemption (Add amounts on line 24, columns A and B. Enter here and on line 18.) | | \$ |

(If more space is needed for any schedule, etc., attach statement.)

470-10-5341-2

Instructions

1. General.—To determine whether you must file Form 1040, see Who Must File on page 3 of that form's instructions. In determining whether you must file a return, be sure to include your income earned abroad even though it may qualify for tax exemption, as explained below.

U.S. citizens in foreign countries are subject to the same U.S. income tax laws as those living in the U.S. However, there is an exception as to their earned income as defined in Instruction 7, received for personal services rendered abroad. A limited amount of earned income may be exempt from tax if a citizen meets either the "bona fide residence" test or the "physical presence" test. (See Instructions 8 and 9.) Detailed information about these provisions may be found in Publication 54, Tax Guide for U.S. Citizens Abroad.

Resident aliens of the U.S. from certain foreign countries with whom tax treaties are in effect qualify for the benefits of section 911(a)(2) of the Code (physical presence) to the same extent as U.S. citizens under "nondiscrimination" clauses of such treaties. To determine whether the country of which you are a citizen contains such a "nondiscrimination" clause in its treaty with the U.S., get Publication 54, Tax Guide for U.S. Citizens Abroad.

2. How to file.—If you qualify for exemption on any part of your earned income from sources outside the U.S., show your exempt income and information supporting it on this form. Then attach it to your completed Form 1040.

If you earned your only income abroad and all of it qualifies for exemption, you need only complete this form and attach it to a Form 1040 showing your name, address, social security number, and signature.

Report on your Form 1040 compensation earned in the U.S. for personal services performed before foreign residence began. Also report on Form 1040 all other items of gross income, including earned income that does not qualify for exemption (such as a pro rata part of your earned income if part of the personal services was rendered during temporary business trips to the U.S.).

Note: If you qualify for the benefits of section 911, you can not claim the earned income credit.

3. Where to file.—File Form 2555 with Form 1040 with the Internal Revenue Service Center, 11601 Roosevelt Boulevard, Philadelphia, Pennsylvania 19155.

4. When to file.—April 15 is the due date for filing calendar year income tax returns. However, if you are residing or traveling outside the U.S. on April 15, you are automatically allowed an extension

of 2 months to June 15. The 2-month automatic extension also applies to fiscal year taxpayers.

If you take advantage of the automatic extension, you are required to attach a statement to your return showing that you were residing or traveling outside the U.S. on the due date of your return. Interest is charged at the applicable rate on any unpaid tax from the due date of the return until the date of payment.

5. Special extensions of time for filing.—If you expect to qualify for the exemption explained in Instruction 8 or 9 on a date more than 2 months after the regular due date of your return, you may apply on Form 2350 for an extension to a date after that on which you expect to qualify for the exemption. Send the application for extension to the office where the return will be filed, before the due date of the return (for calendar year taxpayers, this would be June 15). Interest is charged in the same manner as explained in Instruction 4.

6. Joint returns.—Alien spouse.—You may file a joint return if both you and your spouse are U.S. citizens and you both use the same taxable year. If you file a joint return complete separate Forms 2555 if each of you has exempt earned income. You may not file a joint return if either you or your spouse was a nonresident alien at any time during the taxable year. However, you may claim an exemption for a nonresident alien spouse who had no gross income from U.S. sources and was not the dependent of another taxpayer.

In applying the exclusion limitations under community property laws, the total community income exempt cannot exceed the amount that would be exempt if the income were not community property.

Married persons eligible to file a joint return under the rules of the above paragraph may do so even if one of them has exempt earned income and the other does not.

7. Earned income.—Earned income from sources outside the U.S. means wages, salaries, professional fees, and other compensation for personal services actually rendered. It does not include compensation for personal services to a corporation that consists of a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services. It does not include dividends, capital gains, interest, etc.

If you engaged in a non-corporate trade or business in which both personal services and capital were material income-producing factors, a reasonable allowance as compensation for your personal services will be considered

earned income. This earned income amount, however, cannot be more than 30 percent of your share of the net profits from the trade or business.

8. Bona fide residence (sec. 911(a)(1) Internal Revenue Code).—

(a) General.—

(i) If you are a bona fide resident of a foreign country or countries for an uninterrupted period which includes an entire taxable year, you can, subject to the rules in Instruction 10, exclude up to \$20,000 or \$25,000 of your earned income from personal services rendered abroad for each taxable year. For each of the first 3 consecutive years of your bona fide foreign residence, you can exclude no more than \$20,000 earned income for each year. The maximum exclusion for each year of bona fide foreign residence after the first 3 consecutive years is \$25,000.

(ii) Use the following example to determine the exclusion amount when the third consecutive year does not end with the last day of the taxable year:

Assuming the third consecutive year for a calendar year taxpayer ends on June 30, prorate both the \$20,000 and \$25,000 during that year. The \$20,000 limitation will apply for January 1 through June 30, and the \$25,000 limitation will apply for July 1 through December 31.

(b) Determination of residence.—No specific rule can be stated for determining whether you are a bona fide resident of a foreign country, because the determination involves your intention as to the length and nature of your stay. Your intention to establish a bona fide residence in a foreign country may be evidenced by words and acts. If these conflict, more emphasis will be placed on acts than words. Generally, if you go to a foreign country for a definite purpose of a temporary nature and return to the U.S. after that purpose has been accomplished, you are not a bona fide resident of the foreign country. However, if accomplishing the purpose requires an extended and indefinite stay, and you therefore make your home in the foreign country, you may be a bona fide resident of the foreign country for Federal income tax purposes.

(c) Statement of nonresidence.—If you made a statement to the authorities of a foreign country in which you have earned income that you are not a resident of that country, and you have been held not subject to its income tax, you will not be considered a bona fide resident of that foreign country. If you made such a statement and a determination is being made as to whether you qualify as a bona fide foreign resident, provided no adverse determination has been made by the authorities of the

foreign country on your nonresidence status, you will be considered not subject to the income tax of that foreign country.

(d) Treatment of noncash remuneration.—If you qualify as a bona fide resident and received noncash remuneration in the form of a right to use property or facilities (such as a home or car), it will be taxable in the same manner as any other compensation, subject to the \$20,000 or \$25,000 exclusion.

(e) Definitions.—

(i) Entire taxable year.—If you use the calendar year as your taxable year, your entire taxable year is the period beginning January 1 and ending December 31.

(ii) Uninterrupted period.—The term uninterrupted period in (a), above, refers to a U.S. citizen's bona fide residence and not to his or her physical presence in the foreign country.

9. Physical presence (sec. 911(a)(2) Internal Revenue Code).—

(a) General.—If you are physically present in a foreign country or countries for a total of at least 510 days during any period of 18 consecutive months, you can, subject to the rules in Instruction 10, exclude up to \$20,000 of your earned income for each taxable year. You can do this provided the earned income is for personal services performed outside the U.S. and is attributable to the 18-month period.

(b) Determination of 18-month period and application of 510-day rule.—In figuring the minimum of 510 full days' presence in any foreign country or countries, add all separate periods of presence during the 18-month period. The 510 full days need not be consecutive, but may be interrupted by periods during which you are traveling over international waters or are otherwise not present in a foreign country. (For additional information and examples, see Publication 54, Tax Guide for U.S. Citizens Abroad.)

(c) Definition of a full day.—Full day means a period of 24 consecutive hours beginning at midnight.

10. Special rules that apply to bona fide residence and physical presence.—

(a) Rule of attribution.—In general, a taxpayer receives earned income in the same taxable year he or she performs personal services. This taxable year is used to determine the exemption under the bona fide residence and physical presence tests.

A taxpayer may receive earned income in one taxable year for personal services performed in another. Under the rule of attribution, this earned income is considered as received in the taxable year in which the personal services are performed. However, to be exempt, earned income must be received before the close of the taxable year following the year in which the services are performed. For example, if a cash basis taxpayer received \$3,000 in 1975 for services performed in 1974 he or she would include this \$3,000 as 1974 earned income for determining the amount of exemption. If exempt, the \$3,000 would be excluded from his or her income in 1975.

This rule applies only in determining the amount of the exemption and does not affect the reporting time of any amounts not exempt. In no case can amounts be attributed to any year in which the services performed are insubstantial. (For additional information, see Publication 54, Tax Guide for U.S. Citizens Abroad, or contact any Internal Revenue Service office or representative.)

(b) Treatment of amounts paid by U.S. Government, etc.—Earned income paid to U.S. citizens by the U.S. or any of its instrumentalities is not exempt from tax under the bona fide residence or physical presence tests. This includes pay received from our Armed Forces' post exchanges, officers' and enlisted men's clubs and messes, motion picture services, and other similarly organized activities under the jurisdiction of the Armed Forces, even though they may be supported by nonappropriated funds.

(c) Accrual of exemption.—A U.S. citizen becomes entitled to the exemption on a daily basis throughout the taxable year. The number of days to be used in figuring the exemption is the number of days in the taxable year for which the exemption is claimed.

(d) Treatment of pensions or annuities.—In general, earned income received as pensions or annuities is not exempt if attributable to employer contributions made after December 31, 1962, for services rendered outside the U.S. after that date. (For rules on the allocation of employer contributions under prefunded pension or annuity plans, see section 1.72-8 of the Income Tax Regulations. For rules on the treatment of pensions or annuities received under unfunded plans, see sections 1.911-1(c) and 1.911-2(d)(5) of the Regulations.)

(e) Treatment of deductions.—Exclude any expenses, losses, or items

otherwise deductible (except deductions allowed for personal exemptions) that are properly allocable to or chargeable against earned income exempt from tax under the bona fide residence or physical presence tests, in figuring your taxable income. If expenses incurred for services performed abroad are attributable to both exempt and non-exempt earned income, attach a statement showing the amounts attributable to both for income items on lines 11, 13, 14, and 15. Prorate such expenses, based on the ratio that your exempt earned income bears to your total earned income for services performed abroad. Do not claim expenses allocable to exempt income.

(f) Definition of foreign country.—The term foreign country means territory under the sovereignty of a government other than that of the U.S. and includes the air space over the territory. It does not include U.S. possessions.

11. Amounts attributable to services performed on or before December 31, 1962.—If you received an amount after December 31, 1962, for services performed on or before that date, you may be able to exclude it from your gross income on the ground that a right to receive it existed on March 12, 1962. Such a right (whether forfeitable or non-forfeitable) is considered to exist on March 12, 1962, if it is in a contract, agreement, plan, or provision of foreign law in force on March 12, 1962. The existence of such a contract, agreement, plan, or provision of foreign law may be established by:

- (a) written evidence;
- (b) evidence of a trade custom governing the method of payment of persons performing the same type of services;
- (c) evidence of an oral agreement between the person performing services and the person for whom they are performed as to the method of computing compensation for the services; or
- (d) evidence of the provision of foreign law.

If for any taxable year you claim an exemption on the grounds described in this instruction, attach to this form a statement of the facts you rely on to support the exemption. (For more information, see section 1.911-1(c) of the Income Tax Regulations or contact any Internal Revenue Service office or representative.)

Form **1116**
(Rev. Oct. 1975)
Department of the Treasury
Internal Revenue Service

Computation of Foreign Tax Credit
Individual, Fiduciary, or Nonresident Alien Individual

Attach to Form 1040,
1041, or 1040NR

For calendar year 19..... or other taxable year beginning 19..... and ending 19.....

Name _____ Resident of (Name of country) _____ Social security number _____

Address (Number and street, city or town, State and ZIP code or country) _____ Citizen of (Name of country) _____ Employer identification no. _____

Schedule A—Taxable Income from Sources Outside the U.S.

| 1. Name of Foreign Country or U.S. Possession (Use a separate line for each) | | (a) Dividends | (b) Gross Rents and Royalties | (c) Gross Gain from Sale of Capital Assets | (d) Wages, salaries and Other Employee Compensation | (e) Business or Profession (Sole Proprietorship) | (f) Gross Income from Trusts and Estates | (g) Other (Attach schedule) | (h) Total (Add columns (a) through (g)) |
|--|--|---------------|-------------------------------|--|---|--|--|-----------------------------|---|
| A | | | | | | | | | |
| B | | | | | | | | | |
| C | | | | | | | | | |
| D | | | | | | | | | |
| E | | | | | | | | | |
| F | | | | | | | | | |
| G | | | | | | | | | |
| Totals (Add lines A through G) | | | | | | | | | |
| Section 904(f) Interest (See general instruction J)(4) | | | | | | | | | |

3. Applicable Deductions and Losses

| Directly Allocable Deductions | | | | | | (f) Gross Capital Loss and Other Losses from Foreign Sources | (g) Total Applicable Deductions and Losses (Add columns (a) through (f)) | 4. Taxable income or (loss) from Sources Outside the U.S. (Column 2(h) less column 3(g). Enter here and in Schedule B, column 8) |
|---|--|--|--|--|--|--|--|--|
| (a) Expenses Directly Allocable to Business or Profession | (b) Depreciation and Depletion Directly Allocable to Rent and Royalty Income | (c) Repairs and Other Expenses Directly Allocable to Rent and Royalty Income | (d) Other Expenses Directly Allocable to Specific Income Items (Attach schedule) | (e) Ratable Share of All Other Deductions Not Directly Allocable (Attach schedule) | | | | |
| A | | | | | | | | |
| B | | | | | | | | |
| C | | | | | | | | |
| D | | | | | | | | |
| E | | | | | | | | |
| F | | | | | | | | |
| G | | | | | | | | |
| Totals | | | | | | | | |
| Section 904(f) Interest | | | | | | | | |

Form **1116** (10-75)

Page **2**

Schedule B—Foreign Taxes Paid or Accrued and Computation of Foreign Tax Credit

Computation is made under ☐ per-country limitation ☐ overall limitation (See General Instruction J and Note at beginning of Specific Instructions for Schedule B.)

| 1. Credit is claimed for taxes | | 2. Type of Tax | 3. Statute imposing Tax (Title, number, section, etc.) (Identify in detail) | 4. Foreign Taxes Paid or Accrued (Attach receipt or copy of return) (See General Instruction H.) | | | | (g) Other Foreign Taxes Paid or Accrued | (h) Total Foreign Taxes Paid or Accrued (Add cols. (e), (f), and (g)) |
|--------------------------------|----------------------------------|----------------------------|---|--|---------------------------------------|---|-------------------------|---|---|
| <input type="checkbox"/> Paid | <input type="checkbox"/> Accrued | | | In Foreign Currency | | In U.S. Dollars (See instruction for Schedule B, column 4.) | | | |
| Date Paid | Date Accrued | Tax Withheld at Source on: | | (c) Other Foreign Taxes Paid or Accrued | (d) Conversion Rate (Attach schedule) | Tax Withheld at Source on: | | | |
| | | (a) Dividends | (b) Rents and Royalties | | | (e) Dividends | (f) Rents and Royalties | | |
| A | | | | | | | | | |
| B | | | | | | | | | |
| C | | | | | | | | | |
| D | | | | | | | | | |
| E | | | | | | | | | |
| F | | | | | | | | | |
| G | | | | | | | | | |
| Totals | | | | | | | | | |
| Section 904(f) Interest | | | | | | | | | |

| 5. Reduction for Taxes on Foreign Mineral Income and for Failure to Furnish Returns Required Under Section 6038 | 6. Carryback or Carryover (Attach schedule showing computation in detail) | 7. Total Foreign Taxes (Column 4(h) plus column 6 less column 5) | 8. Taxable income or (loss) from Sources Outside the U.S. (From Schedule A, column 4) | 9. Total Taxable Income from All Sources (Before deduction for personal exemptions) | 10. Column 8 Divided by Column 9 | 11. Total U.S. Income Tax Against Which Credit is Allowed (After credit for personal exemptions, but before other credits) | 12. Limitation (Column 10 multiplied by column 11) | 13. Credit (Column 12 or column 7, whichever is less) |
|---|---|--|---|---|----------------------------------|--|--|---|
| A | | | | | | | | |
| B | | | | | | | | |
| C | | | | | | | | |
| D | | | | | | | | |
| E | | | | | | | | |
| F | | | | | | | | |
| G | | | | | | | | |
| Totals | | | | | | | | |
| Section 904(f) Interest | | | | | | | | |

Total Foreign Tax Credit—(Add the individual entries in column 13). Enter here and on your tax return.

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Department of the Treasury
Internal Revenue Service

Instructions for Form 1116 (Revised October 1975)

Computation of Foreign Tax Credit—Individual, Fiduciary, or Nonresident Alien Individual

(References are to the Internal Revenue Code and Income Tax Regulations)

General Instructions

A. Who must file Form 1116.—Form 1116 must be attached to the income tax return of any taxpayer (individual, estate, or trust) electing to claim the benefits of a foreign tax credit.

The form must be carefully filled in with all the information called for and with the calculation of credits indicated.

B. Foreign taxes for which credit may be claimed.—The credit may be claimed for income, war profits, and excess profits taxes paid or accrued during the taxable year to any foreign country or to any U.S. possession.

The term "income, war profits, and excess profits taxes" includes a tax imposed by statute or decree by a foreign country or U.S. possession if: (1) that country or possession has in force a general income tax law; (2) the taxpayer claiming the credit would, in the absence of a specific provision applicable to the taxpayer, be subject to the general income tax; and (3) the general income tax is not imposed upon the taxpayer subject to the substituted tax.

A credit is not allowed for excess tax payments to a foreign country with which the U.S. has a tax treaty if such excess would be refunded by the foreign country. If a tax treaty or overpayment claim were made, See Publication 54, Tax Guide for U.S. Citizens Abroad, for a listing of tax treaty benefits available against foreign tax.

No credit is allowed for amounts representing interest or penalties.

C. Taxpayers to whom credit not allowed.—The credit is not allowed to: (1) a U.S. citizen entitled to the benefits of the exemption provided by section 931 for income from U.S. possessions (section 931 (g)); (2) a nonresident alien other than an individual who is a bona fide resident of Puerto Rico during his or her entire taxable year (sections 874(c) and 901(b)(3)), except as provided in section 906 (see General Instruction L); or (3) a citizen of a U.S. possession (except Puerto Rico) who is not otherwise a U.S. citizen and who is not a U.S. resident, and persons who are inhabitants (which includes permanent residents) of the Virgin Islands (section 932).

Credit is also denied in a particular year to an individual who elects to pay the optional tax imposed by section 3, or elects to take the standard deduction under section 144. (Section 36.)

D. Taxes against which credit is allowed.—The foreign tax credit is allowed against income tax imposed by Chapter 1 but not against any: (1) increase in tax under section 47 (relating to dispositions of investment credit property); (2) increase in tax under section 50A(c) (relating to early termination of employment by an employer in a WIN program); (3) minimum tax for tax preferences imposed by section 56; (4) tax on premature distributions to

owner-employees imposed by section 72 (m)(5)(B); (5) tax on lump sum distributions imposed by section 402(e); (6) tax imposed by section 408(f) (relating to additional tax imposed on income from certain retirement accounts); and (7) additional tax imposed by section 1333 (relating to war loss recoveries).

A nonresident alien individual may not take the credit against any tax imposed by section 871(a) on income not effectively connected with the conduct of a trade or business within the U.S.

E. Deduction denied if a credit is claimed.—If you elect for any taxable year to claim a credit for taxes to any extent, the election will apply to income, war profits, and excess profits taxes paid or accrued in the taxable year to all foreign countries and U.S. possessions, and no portion of the tax will be allowed as a deduction in the taxable year or any succeeding taxable year.

The election for any taxable year may be made or changed at any time before the end of the period prescribed for making a claim for credit or refund of tax for the taxable year. (Section 901(a).)

F. When foreign tax credit may be taken.—The credit may be taken for the year in which the taxes were paid or accrued, depending upon the method of accounting employed. However, if reporting on the cash basis, you may elect to take the credit for accrued taxes. Make the election by checking the appropriate box at the top of Schedule B, column 1, and follow the same procedure in all later years.

G. Credit for tax accrued but not paid.—If you claim a credit for tax accrued but not paid, Internal Revenue may require you to furnish a bond on Form 1117 as a condition precedent to the allowance of the credit.

H. Proof of credits.—Payment or accrual of each item of foreign tax for which you claim a credit must be substantiated by attaching to Form 1116 a receipt if the tax is paid, or the foreign tax return on which the tax is based if the tax is accrued but not paid. If such a receipt or return is in a foreign language, a certified translation must also be attached. Internal Revenue may accept secondary evidence of foreign taxes paid or accrued if it can be established to its satisfaction that it is impossible to furnish a receipt, return, or direct evidence of tax withheld.

I. Reduction in foreign taxes.

(1) **Taxes on foreign mineral income.**—Taxes paid or accrued to a foreign country or U.S. possession on mineral income derived in the country or possession must be reduced if a deduction for percentage depletion under section 613 was allowed for any part of such mineral income. (Section 901(e).)

The reduction must be made on a country-by-country basis, regardless of the limi-

tation method you use. A schedule must be attached showing in detail the computation of the reduction.

(2) **Failure to furnish return required under section 6038.**—For each failure of a taxpayer to furnish on or before the prescribed date any return or any information in any return required under authority of section 6038, all foreign taxes which may be taken into account for the foreign tax credit must be reduced by 10%. Additional reductions must be made if such failure continues for 90 days or more. (Section 6038(b).)

(3) **Taxes on foreign oil and gas extraction income.**—For taxable years ending after December 31, 1974, foreign taxes paid or accrued on foreign oil and gas extraction income must be reduced by the amount (if any) by which the amount of such taxes exceeds the product of the amount of foreign oil and gas extraction income derived in the taxable year and the applicable percentage from section 907(a)(2). (Section 907(b).)

(4) **Taxes on foreign oil related income treated as income from sources within the U.S.**—For taxable years ending after December 31, 1975 foreign taxes paid or accrued on foreign oil related income must be reduced in proportion to the amount of foreign oil related income derived in the taxable year which is treated as income from sources within the U.S. under section 907(f)(1)(A). (Section 907(f)(1)(B).)

J. Limitation on credit.—The credit is limited to a percentage of the total U.S. income tax against which the credit is allowed. The computation must be made by using either the per-country limitation or the overall limitation.

(1) **Per-country limitation.**—If the overall limitation is not elected, the per-country limitation applies. Under the per-country limitation, the credit is computed separately for each foreign country and U.S. possession. The credit is limited to that percentage of the total U.S. income tax against which the credit is allowed which taxable income from sources within each country or possession (but not in excess of total taxable income) is of total taxable income. (Section 904(a)(1).)

(2) **Overall limitation.**—If the overall limitation is elected, the credit is limited to that percentage of the total U.S. income tax against which the credit is allowed which taxable income from sources outside the U.S. (but not in excess of total taxable income) is of total taxable income. (Section 904(a)(2).)

(3) **Election of the overall limitation.**—The initial election to use the overall limitation may be made by checking the appropriate box at the top of Schedule B. The election may be made (or revoked) without the Commissioner's consent at any time before the end of the period prescribed for claiming a credit or refund of taxes for the taxable year for which the election is made. Once the initial election has been made and the period prescribed for making such election has expired, it may not be revoked without the Commissioner's consent.

(4) **Separate limitations for:** (a) section 904(f) interest income; (b) dividends from a DISC or former DISC; and (c) foreign oil related income.—In computing the credit for: (a) foreign tax paid or accrued with respect to interest income described in section 904(f)(2); (b) foreign taxes paid or accrued with respect to dividends from a DISC or former DISC; and (c) foreign taxes paid or accrued with respect to foreign oil related income (in taxable years ending after December 31, 1974), limitations separate from all other income must be applied. (Sections 904(f) and 907(b).)

The separate limitation for section 904(f) interest must be applied on a per-country basis. The overall limitation cannot be used. Use the "Section 904(f) Interest" lines on Form 1116 to compute the credit for foreign taxes paid or accrued with respect to section 904(f) interest.

The separate limitation for dividends from a DISC or former DISC is applied to the aggregate of such dividends received in the taxable year from all DISCs and former DISCs. The computation of the credit for foreign taxes paid or accrued with respect to dividends from DISCs and former DISCs must be shown on an attachment to Form 1116.

The computation of the credit for foreign taxes paid or accrued with respect to foreign oil related income should be shown on an attachment to Form 1116. The attachment should be in a format similar to Form 1116. The separate limitation for foreign oil related income must be applied on an overall basis in taxable years ending after December 31, 1975.

K. Carryback and carryover of excess taxes paid.—Taxes paid or accrued to any foreign country or U.S. possession (reduced as described in General Instruction I) in excess of the applicable limitation may be carried back 2 years and then forward 5 years. The excess must first be applied to the earliest of the 7 years to which it may be carried, then to the next earliest year, etc. (Section 904(d).)

If a credit was not claimed in a taxable year to which the excess is carried, the excess is considered used in such year in the same manner as though a credit has been claimed.

The carryback and carryover provisions must be applied separately to the excess with respect to: (a) section 904(f) interest income; (b) dividends from a DISC or former DISC; (c) foreign oil related income (in taxable years ending after December 31, 1974); and (d) all other income from sources outside the U.S. (Sections 904 (h)(1) and 907(b).)

The excess is computed on the overall basis in taxable years in which the overall limitation applies. (Section 904(e)(1).)

The excess may not be carried from a per-country year to an overall year or vice versa (except as provided in section 907(e) and the regulations under section 904(f)). However, the years to which the excess may not be carried because a different limitation was used are counted in determining whether a carryback or carryover is available. (Section 904(e)(2).)

L. Nonresident alien individuals claiming foreign tax credit.—Section 906 allows nonresident alien individuals a foreign tax credit for income, war profits, and excess profits taxes paid or accrued to any foreign country or U.S. possession on income effectively connected with the conduct of a trade or business within the U.S. The credit is not applicable, however, to the extent the tax is imposed by a foreign country or possession upon income from U.S. sources solely because the nonresident alien individual is a citizen or resident of that foreign country or possession.

For more information obtain Publication 519, United States Tax Guide for Aliens, available free from any Internal Revenue office.

M. Method of reporting.—Report all amounts on the form in U.S. dollars, except as provided in Schedule B, columns 4(a), (b), and (c). If it is necessary to convert from foreign currency, attach a statement describing in detail how the conversion rate was determined.

Note: For more information obtain Publication 514, Foreign Tax Credit for U.S. Citizens and Resident Aliens, available free from any Internal Revenue office.

Specific Instructions

Schedule A—Taxable Income from Sources Outside the U.S.

The determination of gross income, applicable deductions and losses, and taxable income from sources outside the U.S. and within each foreign country or U.S. possession must be made in accordance with sections 638, 861 through 864, and 907(f) and the regulations thereunder, and applicable tax treaties. If the overall limitation is elected, all income from sources outside the U.S., including high seas income, must be taken into account. High seas income must be shown separately and properly identified.

Nonresident alien individuals should report in Schedule A only gross income, applicable deductions and losses, and taxable income from outside the U.S. which are effectively connected with the conduct of a trade or business within the U.S.

All applicable columns in Schedule A must be completed line by line including the "Totals" line, irrespective of the limitation method used.

Column 1.—Enter the names of all foreign countries and U.S. possessions within which income is sourced, and/or to which taxes are paid or accrued. If the foreign income is distributed through a partnership, estate, or trust, give the name and employer identification number of the partnership, estate, or trust, as well as country or possession.

Column 2.—Enter amounts in columns (a) through (h) in U.S. dollars. Include all income taxable by the U.S. whether or not taxable by the foreign country or U.S. possession.

Do not include in gross income earned income that is exempt under section 911. For more information on the exemption of income earned abroad obtain Publication 54, Tax Guide for U.S. Citizens Abroad, available free from any Internal Revenue office.

Column 3.—Enter amounts in columns (a) through (g) in U.S. dollars. Do not include deductions and losses attributable to earned income that is exempt under section 911.

Enter in columns (a), (b), (c), and (d) all deductions which apply directly to gross income from foreign sources.

Enter in column (e) the ratable share of all other deductions (such as itemized deductions) not directly allocable to specific items of income. The deduction for personal exemptions is not allowed in computing taxable income for this purpose. The share of the allowable deductions ratable to each country is computed by multiplying the total of such deductions by the ratio of gross income from sources within the country to total gross income from all sources.

Schedule B—Foreign Taxes Paid or Accrued and Computation of Foreign Tax Credit.

Note: Regardless of the limitation method you use, complete columns 1 through 5 of Schedule B line by line including the "Totals" line. If applicable, if you use the overall limitation method, complete only the "Totals" and each "Section 904(f) Interest" line in columns 6 through 13. If you use the per-country limitation method, complete all lines except the "Totals" line in columns 6 through 13.

Column 1.—If you claim credit for taxes accrued, show date of accrual of the tax and date of payment (if paid).

Column 2.—Enter the type of tax (income, war profits or excess profits).

Column 4.—Make all entries on the line for the country imposing the tax.

Enter amounts in columns (a), (b), and (c) in the currency of the foreign country (that is: pounds, francs, marks, etc.).

In column (d) show the rate(s) of exchange used and attach a statement describing in detail how the rate(s) was determined.

Column 5.—Enter in column 5 the reduction (if any) for taxes on foreign mineral income and for failure to furnish returns required under section 6038.

The reductions for taxes on foreign oil and gas extraction income and on foreign oil related income treated as income from sources within the U.S. should be applied and reported only on the attached schedule (see General Instruction J(4)) used for computing the credit with respect to foreign oil related income.

Column 7.—If you use the per-country limitation method, add columns 4(h) and 6 and subtract column 5 line by line. If you use the overall limitation method, perform the calculations only on the "Totals" and each "Section 904(f) Interest" line.

Column 8.—If you use the per-country limitation method, copy line by line the entries from Schedule A, column 4. Do not complete the "Totals" line. If you use the overall limitation method, copy only the entries on the "Totals" and each "Section 904(f) Interest" line in Schedule A, column 4.

If a loss appears on any line in column 8, do not complete that line in columns 9 through 13.

Column 9.—If you use the per-country limitation method, enter on each line total taxable income from all sources before deduction for personal exemptions. If you use the overall limitation method, enter that amount only on the "Totals" and each "Section 904(f) Interest" line.

For nonresident alien individuals, taxable income includes only that taxable income effectively connected with the conduct of a trade or business within the U.S.

Column 10.—If you use the per-country limitation method, the ratio of column 8 to column 9 must be computed line by line. If you use the overall limitation method, compute the ratio only for the "Totals" and each "Section 904(f) Interest" line. If in column 10, enter a 1 (one).

Column 11.—If you use the per-country limitation method, enter on each line the total U.S. income tax against which the credit is allowed after the credit for personal exemptions but before other credits. Do not make an entry on the "Totals" line. If you use the overall limitation method, enter that amount only on the "Totals" and each "Section 904(f) Interest" line.

See General Instruction D for taxes against which the credit is allowed.

Column 12.—If you use the per-country limitation method, the product of columns 10 and 11 must be computed line by line. If you use the overall limitation method, compute the product only on the "Totals" and each "Section 904(f) Interest" line.

Column 13.—If you use the per-country limitation method, enter for each line the amount in column 12 or column 7, whichever is less. If you use the overall limitation method, make the entries only for the "Totals" and each "Section 904(f) Interest" line.

Note: If you derived foreign oil related income or received dividends from a DISC or former DISC in the taxable year, enter on your tax return the sum of: (1) the amount on the "Total Foreign Tax Credit" line; (2) the separately computed credit with respect to foreign oil related income; and (3) the separately computed credit with respect to dividends from DISCs and former DISCs.

